

## **8. PARTICULARS OF THE MANAGEMENT AND ADMINISTRATION OF AL-HADHARAH BOUSTEAD REIT**

### **8.1 CORPORATE PROFILE OF THE MANAGER**

Boustead REIT Managers was incorporated on 7 October 1982 in Malaysia as a private limited company, under the name of Emas Jeep Sdn Bhd under the Act. Following its change of name on 16 August 2006 the company assumed its present name.

The authorised share capital of the Manager as at the Latest Practicable Date stood at RM3,000,000 divided into 3,000,000 ordinary shares of RM1.00 each and the issued and paid up share capital of the Manager stood at RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. The principal activity of Boustead REIT Managers is to manage and administer REITs. Save for Al-Hadharah Boustead REIT, Boustead REIT Managers does not manage any other funds.

Presently, Boustead REIT Managers has an experienced Board of Directors and a management team.

The Board of Directors comprising Y. Bhg. Tan Sri Dato' Lodin Wok Kamaruddin, Daniel Ebinesan and Kamaludin bin Abdul Kadir have individual experience of more than 30 years each and two (2) others have individual experience of more than 20 years each, in the plantation, property and portfolio or asset investment industry. Collectively, the experience of the members of the Board and Investment Committee span more than 100 years in the relevant sectors and bring a wealth of industry and company based experience to the Manager.

The management team comprising the Chief Executive Officer, two (2) managers and two (2) support staff, with diverse backgrounds and expertise in the oil palm sector, investment/finance and property industries. Each of the key team members, which include the Chief Executive Officer, Strategic Planning and Investor Relationship Manager and Finance Manager collectively have more than fifty (50) years of general management and finance experience. The profiles of the key management team are as set out in Section 8.6 of this Prospectus.

### **8.2 FINANCIAL HIGHLIGHTS OF THE MANAGER**

Below is a summary of Boustead REIT Manager's past audited financial performance for the period from 31 December 2003 to 31 December 2005:

	<b>FYE 31 December 2003 (RM)</b>	<b>FYE 31 December 2004 (RM)</b>	<b>FYE 31 December 2005 (RM)</b>
Issued and paid up capital	2.00	2.00	2.00
Shareholders' funds	(18,541)	(19,891)	(23,241)
Turnover	-	-	-
Pre-tax profit/(loss)	(1,350)	(1,350)	(3,350)
Profit/(loss) after taxation	(1,350)	(1,350)	(3,350)

As at the Latest Practicable Date, the shareholders' fund of the Manager stood at RM1.0 million.

### 8.3 BOARD OF DIRECTORS OF THE MANAGER

The principal role of the Board of Directors of Boustead REIT Managers is to ensure that the management and administration of the Fund is managed in a proper, diligent and efficient manner for the benefit of the Unitholders in accordance with the Deed, REIT Guidelines and securities laws and acceptable and efficacious business practices within the REIT industry.

The Board of Directors sets strategic direction by means of making recommendations to the Trustee on acquisition, divestment or enhancement of the assets for the better performance of the Fund in line with its overall strategy. Further, the Board shall ensure proper corporate governance is observed at all times in the conduct of business of the Manager. Board meetings shall be held formally once every quarter of the year and more frequently should circumstances require.

As at Latest Practicable Date, the profiles of Board of Directors of the Manager are as follows:-

#### **Y. Bhg. Tan Sri Dato' Lodin Wok Kamaruddin (Non-independent Director)**

Y. Bhg. Tan Sri Dato' Lodin Wok Kamaruddin, is the Group Managing Director of Boustead Holdings. He is also the Chief Executive of LTAT.

He graduated from the College of Business Administration, The University of Toledo, Ohio, United States of America with a Bachelor of Business Administration and Master of Business Administration. Prior to joining LTAT in 1982, he was with Perbadanan Kemajuan Bukit Fraser as its General Manager from 1973 to 1982. He has extensive experience in general management. He is also the Managing Director of Affin Holdings Berhad and sits on the Boards of Boustead Plantations Berhad, Boustead Properties, UAC Berhad, Affin Bank Berhad, Affin Investment Bank Berhad, Affin Capital Holdings Sdn Bhd, Johan Ceramics Berhad, The University of Nottingham in Malaysia Sdn Bhd, Boustead Petroleum Marketing Sdn Bhd, Ramatex Berhad and Badan Pengawas Pemegang Saham Minoriti Berhad.

#### **Daniel Ebinesan (Non-Independent Director)**

Daniel Ebinesan, is the Director, Financial Services for the Boustead Group. He joined the Boustead Group on 1 April 1974 as the Group Accountant. Ebinesan is a Fellow of the Chartered Institute of Management Accountants and a member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants. He was promoted to Group Chief Accountant on 1 January 1982 and on 1 January 1993, to General Manager, Finance & Administration. On July 1996, Ebinesan assumed the role of Chief Financial Officer of the Boustead Group. He is responsible for all financial matters for the Boustead Group including treasury management, risk management strategies and formulation of the Boustead Group's financial policies and tax planning.

### **Abdul Aziz Ismail (Non-Independent Director)**

Abdul Aziz Ismail is the Deputy Chief Executive of LTAT, a post he assumed on 8 January 2001. He graduated from Eastern Illinois University, USA with a Master of Business Administration. He also holds an Advanced Diploma in Information Systems from the Canberra University Australia. In 1993, he attended the Advanced Management Program at Wharton University of Pennsylvania, USA and participated in the INSEAD Advanced Management Program at Fontainebleau, France in July 2005. During his initial years with LTAT, he was the Assistant Chief Executive of LTAT heading the Administration and Finance Division. Abdul Aziz was appointed as the General Manager of Ex-Serviceman Affairs Corporation (PERHEBAT), a subsidiary corporation of LTAT from January 1995 till December 2000. Prior to joining LTAT, he was attached to the Auditor General's Office of Malaysia from 1977 to May 1985. His last position was a Senior Auditor.

He has more than 20 years of experience in general finance and management. He sits on the Boards of Affin Insurance Brokers Sdn. Bhd., Affin Moneybrokers Sdn. Bhd., Affin Trust Management Bhd., Irat Properties Sdn. Bhd., Ketengah Jaya Sdn. Bhd. and also as an alternate Director of Badan Pengawas Pemegang Saham Minoriti Berhad.

### **Kamaludin bin Abdul Kadir (Independent Director)**

Kamaludin bin Abdul Kadir graduated from University of Auckland, New Zealand on Colombo Plan scholarship with Bachelor of Engineering (Electrical) (Auckland). In 1967, he was first appointed as Assistant Controller of Telekoms (Engineering and Radio) of Jabatan Telekom Malaysia. He was a member of technical evaluation groups for procurement of communications equipment for the Malaysia Armed Forces from 1974 to 1983 and was promoted to the position of Director, Defence Research Centre (now known as Defence Science & Technology Centre) in 1978. In 1983, he joined Perwira Ericsson Sdn Bhd as Executive Director (Chief Executive Director). From 1996 to 1999, he was a member of Ericsson's Global Management Team (Public Networks) comprising some 20 market leaders from respective Ericsson companies world-wide. He held a leading role in Ericsson's TQM programme in Malaysia culminating in the company's ISO 9001 certification in 1993.

After his retirement from Perwira Ericsson Sdn Bhd in 1999, he was a Chairman of Technical Committee of TIME dotcom Berhad Board and also a member of TIME dotcom Berhad Nomination & Remuneration Committee in October 2001. He was also previously a member of the Audit Committee and Tender Board. In 2000, he was a financial and technical advisory support for family-owned companies for home networking and multimedia application solutions. He is an Independent, Non-Executive Director of TIME dotcom Berhad.

### **David Loo Kean Beng (Independent Director)**

David Loo Kean Beng read law at Downing College, Cambridge, the United Kingdom on a Yayasan Sime Darby - Cambridge Commonwealth Trust Scholarship and was conferred his Bachelor of Arts (Hons) degree in 1986. He was called to the English Bar by the Honourable Society of the Middle Temple in 1987 and was called to the Malaysian Bar in 1991.

Upon his return to Malaysia, he served at Sime Darby Berhad from 1987 and was Senior Legal Adviser prior to him leaving in 1997. He then joined Zain & Co and was made a partner in 2000. Following his retirement from Zain & Co on 31 March 2006, he established David Loo & Co which was renamed Mak Loo & Co upon admission of another partner on 1 June 2006.

His main area of practice is in mergers and acquisitions, as well as debt and corporate restructuring. His other areas of practice include energy, coal, oil and gas, sale of goods, corporate finance, inward investments and securities regulations.

## 8.4 INVESTMENT COMMITTEE

The investment committee of the Al-Hadharah Boustead REIT together with the Board of Directors and the management team of Boustead REIT Manager, is responsible for determining the investment and divestment strategies of the Fund, with an aim to grow the Fund and improve distribution yields. The investment committee comprises of Y. Bhg. Tan Sri Dato' Lodin Wok Kamaruddin, Daniel Ebinesan, Y. Bhg Dato' Ghazali Mohd Ali and Sharudin Jaffar. The profiles of Y. Bhg. Tan Sri Dato' Lodin Wok Kamaruddin and Daniel Ebinesan are set out in Section 8.3. above. The profiles of Y. Bhg Dato' Ghazali Mohd Ali and Sharudin Jaffar are as follows:

### **Y.Bhg. Dato' Ghazali Mohd Ali**

Y. Bhg. Dato' Ghazali Mohd Ali is the Executive Director of Boustead Properties. He also serves as the Divisional Director of Boustead Holdings Berhad's Property Division.

He graduated from the Western Australian Institute of Technology in Perth in Town and Regional Planning in 1970 and is a Fellow of the Malaysian Institute of Planners. Y Bhg. Dato' Ghazali was a member of the Town Planning Board of Malaysia and is a Board member of Perumahan Kinrara Berhad. Prior to joining Boustead Holdings, he was the Managing Director of Syarikat Perumahan Pegawai Kerajaan Sdn Bhd and Deputy Director General of the Urban Development Authority.

In 1984, Y.Bhg.Dato' Ghazali joined Arkitek MAA as a partner, and was involved in various planning projects which included Bukit Jelutong (Kumpulan Guthrie Berhad), Taman Kinrara (I&P Berhad), Hicom Glenmarie (Hicom Berhad) and Bandar Nusajaya (Prolink Development Sdn Bhd), amongst others. His planning of Taman Kinrara for Island & Peninsular Berhad also won the prestigious 'Excellence in Planning Award for 'Best Planning Scheme' awarded by the Malaysian Institute of Planners in 1990 and 1999. Prior to joining Arkitek MAA, Y.Bhg.Dato' Ghazali was the General Manager (Property Division) of Island & Peninsular Berhad.

### **Sharudin Jaffar**

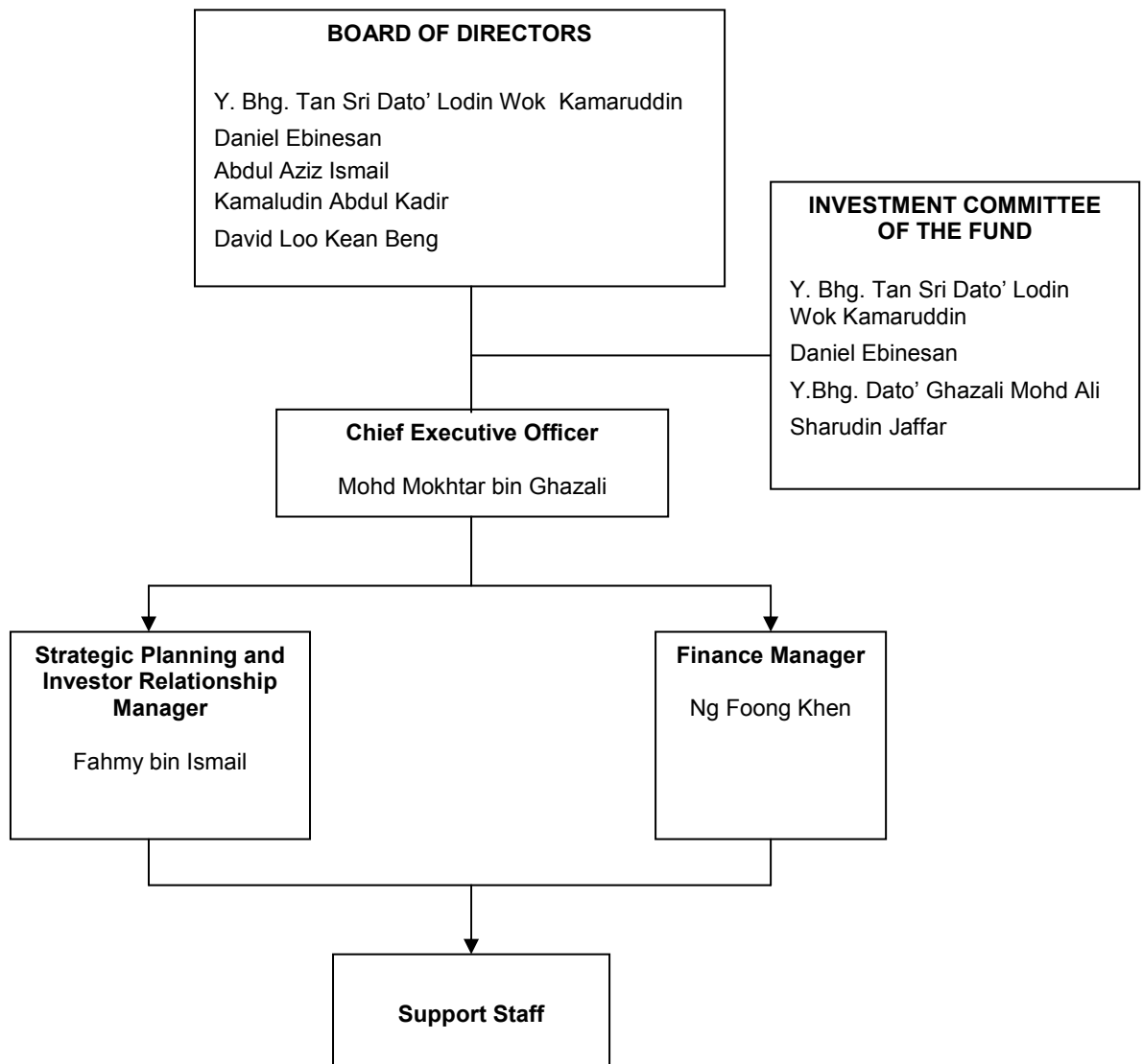
Sharudin Jaffar holds a Master of Science in Plantation Management from University Putra Malaysia. He joined BEA in 1980 as Assistant Manager on Eldred Estate. He served on various estates within the BEA before reaching the position of Senior Manager. He is currently the Visiting Agent of BEA. He currently serves on the Negotiation Committee of Malaysian Agricultural Producers Association "(MAPA)". He is also a key member of a team of consultants in BEA advising potential investors in the plantation industry.

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## 8.5 OPERATIONAL STRUCTURE OF THE MANAGER

As Manager of the Fund, Boustead REIT Managers shall, subject to the provisions of the Deed and REIT Guidelines, carry out all activities that may be deemed necessary for the management of the Fund and its business.

The following diagram sets out the operational structure of Boustead REIT Managers:



The profiles of the above management team of Boustead REIT Managers are set out in Section 8.6 of this Prospectus and the functions of the management team of Boustead REIT Managers are summarised below:

### **Chief Executive Officer**

The CEO of Boustead REIT Managers is responsible for the day-to-day operations of Boustead REIT Managers and together with the Board of Directors and Investment Committee shall determine the strategy of Al-Hadharah Boustead REIT.

The key roles of the CEO include, amongst others, the following:

- Formulating an overall business strategy for Al-Hadharah Boustead REIT, incorporating a strategy for continual growth;
- Spearheading the implementation of the overall business strategy;
- Operating and managing Al-Hadharah Boustead REIT in achieving the Fund's objectives in accordance with the Deed, SCA and REIT Guidelines;
- Planning the future strategic development and growth of Al-Hadharah Boustead REIT;
- Maintaining continuous disclosure and communication to Unitholders, public and potential investors;
- Together with the officers of Boustead REIT Managers, promote and market Al-Hadharah Boustead REIT to investors and the media through regular communications and road show;
- Focusing on the management of the Fund's investment in plantation assets and non-plantation assets;
- Develop a business plan for assets of the Fund in the short, medium and long term with a view to maximising the income of the Fund;
- Overseeing and supervising the performance of the Plantation Adviser in meeting the operational objectives and yield targets set out under the overall strategy; and
- Monitoring and controlling the operating expenses incurred in the course of managing and operating the plantation estates owned by Al-Hadharah Boustead REIT.

### **Strategic Planning and Investor Relationship Manager**

The key responsibility of the Strategic Planning and Investor Relationship Manager is to identify and evaluate potential acquisitions with a view to enhancing Al-Hadharah Boustead REIT's portfolio or divestments where a plantation estate is no longer strategic or fails to enhance the Fund's portfolio and yield attractiveness.

The key roles of the Strategic Planning and Investor Relationship Manager are, amongst others, the following:

- Assist in focusing on the management of the Fund's investment in plantation assets and non-plantation assets;
- Assist in developing a business plan for assets of the Fund in the short, medium and long term with a view to maximise the income of the Fund;
- Assist in overseeing and supervising the performance of the Plantation Adviser in meeting the operational objectives and yield targets set out under the overall strategy;
- Assist in monitoring and controlling the operating expenses incurred in the course of managing and operating the plantation estates owned by Al-Hadharah Boustead REIT;
- Determining the investment strategies of Al-Hadharah Boustead REIT such as identifying future acquisition opportunities in the plantation sector to ensure sustainable growth of the Fund to maximise the capital growth of the Fund's assets;
- Purchase, transfer, acquire, hire, rental, license, exchange, dispose of, convey, surrender or otherwise deal with any authorised investment in furtherance of the investment policy and prevailing investment strategy of the Fund;

- Attending to all land and legal matters including title transfers, compliance with statutory requirements and other related matters; and
- Determining whether it is appropriate for Al-Hadharah Boustead REIT to institute, defend, conduct, settle, discontinue or compromise legal proceedings.

There is no immediate need to appoint a separate individual as Investment Manager at this stage and the role of Investment Manager will be performed by the Strategic Planning and Investor Relationship Manager.

Upon listing, Al-Hadharah Boustead REIT will only own oil palm estates and mills. In the event that Al-Hadharah Boustead REIT invests in real estate-related and non-real estate-related assets, the Manager will appoint a fund manager approved by the Trustee and licensed under the Securities Industry Act, 1983.

### **Finance Manager**

The Finance Manager is mainly responsible for financial matters relating to Al-Hadharah Boustead REIT, in particular the financial performance and indicators of the investments of Al-Hadharah Boustead REIT.

The key roles of the Finance Manager include, amongst others, the following:

- Preparing annual budgets for the Fund and the management and operation of the Fund;
- Projection of rental returns, accounting for rental collections and the operating expenses incurred in the course of managing and operating all the investments of Al-Hadharah Boustead REIT;
- Monitoring any outstanding rents/rentals;
- Managing all tax affairs of Al-Hadharah Boustead REIT;
- Account preparation, capital management, performance analysis and reporting and corporate treasury functions and ongoing financial market analysis;
- Ensuring regulatory, legal and corporate compliance in relation to the portfolio of investments including but not limited to legal support on acquisitions, disposals and leasing, due diligence, compliance with the Deed and/or other applicable laws in relation to a REIT and maintenance of appropriate licences and regulatory approvals.

## **8.6 MANAGEMENT TEAM OF THE MANAGER**

The management team comprises of the Chief Executive Officer, two (2) managers, and two (2) support staff, with diverse backgrounds and expertise in the oil palm sector, investment/finance and property industry. Each of the key team members, which include the Chief Executive Officer, Strategic Planning and Investor Relationship Manager and Finance Manager collectively have more than fifty (50) years of general management and finance experience. The profiles of the management team members of the Manager are as follows:

### Chief Executive Officer

Mohd Mokhtar bin Ghazali is the Chief Executive Officer of Boustead REIT Managers. He graduated from University of Malaya in 1974 with a Bachelor of Economics (Honours) degree. Prior to his retirement, he was the Chief Executive Officer/Director of Affin Discount Berhad, a position he held from 1985. He was Senior Manager of Malaysia Discounts Berhad from 1981 to 1984 and was the Chief Dealer, Money Market of Bank Bumiputra Malaysia Berhad and a Corporate Finance Officer in Esso Malaysia Berhad. Encik Mokhtar was an officer in Bank Negara Malaysia from 1974 to 1978. Prior to that, he served as a secondary school teacher from 1966 to 1971. Mohd. Mokhtar was the Chairman of Affin Futures Sdn Bhd from 1995 to 2002 and also sat on the Board of Malaysian Rating Corporation Berhad from 1995 to 2000. He sits on the Boards of Affin Discount Berhad, Affin Moneybrokers Sdn Bhd, Institut Peniaga Bon Malaysia and JGC Malaysia Sdn Bhd.

### Strategic Planning and Investor Relationship Manager

Fahmy bin Ismail graduated with a Bachelor of Commerce in Accounting and Finance from University of Sydney, Australia. He is a Chartered Accountant under Malaysian Institute of Accountants (MIA) and is also a Certified Practicing Accountant under CPA Australia. Prior to joining Boustead in January 2006, he was the Assistant Manager, Corporate Finance of SapuraCrest Petroleum Berhad from 2004 to 2005 and held the position of Performance Reporting and Forecasting Manager of Premier Lubricants (M) Sdn Bhd, part of the BP Group. En. Fahmy also held the position of Assistant Manager, Treasury of Crest Petroleum Berhad from 2002 to 2004.

### Finance Manager

Ng Foong Khen holds a degree in Bachelor of Accountancy with Honours from University Utara Malaysia and is a Chartered Accountant under the Malaysian Institute of Accountants (MIA). She was with Southern Bank Berhad prior to joining Boustead Holdings Berhad in 1995. She was attached to the Boustead Group Finance department, Group Tax department and various subsidiaries within the Boustead Group where she was responsible for financial and accounting matters, statutory reporting, tax compliance, treasury, budgetary controls and forecasting, amongst other responsibilities. She was the Accountant in Boustead Engineering Sdn Bhd from 1998 to 2001 and the Finance Manager of The University of Nottingham Malaysia Campus from 2002 until May 2006.

## **8.7 MANAGER'S FEE**

### (a) Base Fee

The Manager is entitled to receive a base fee of up to a maximum of 0.30% per annum of the NAV of Al-Hadharah Boustead REIT, calculated based on a monthly accrual basis and will be paid to the Manager monthly in arrears. There will be no payment due to the Manager by way of remuneration for its services upon the subscription for or sale of a Unit and upon any distribution of income and capital otherwise.

### (b) Performance Fee

A performance fee of up to 2.5% of the performance-based profit sharing receivable by the Fund pursuant to the Ijarah Arrangement, if any, is payable annually.

Any increase in the maximum permitted level of the Manager's fees must be approved by the Trustee and the Unitholders passed at a Unitholder's meeting convened in accordance with the Deed.

In addition, the Manager will also be entitled to the following fees for any acquisition or disposal of the plantation estates and mills by Al-Hadharah Boustead REIT:-

- (i) any acquisition of plantation estates and mills (or any single-purpose company whose principal assets are plantation estates and mills) by the Fund, an acquisition fee of 1.0% of the acquisition price is payable by the Fund to the Manager. However, no acquisition fee is payable in respect of the acquisition of the Plantation Assets; and
- (ii) For any sale or divestment of plantation estates and mills by the Fund, a divestment fee of 0.5% of the disposal price is payable by the Fund to the Manager.

Save for the expenses incurred for the general overheads and costs for services which the Manager is expected to provide, or falling within the normal expertise of the Manager, the Manager has the right to be reimbursed fees, charges, expenses and outgoings incurred which are directly related and necessary to the business of the Fund.



## **8.8 ROLES, DUTIES AND OBLIGATIONS OF THE MANAGER**

The Manager shall subject to the provisions of the Deed and REIT Guidelines carry out all activities as it may deem necessary for the management of the Fund and its business. The Manager shall, in managing the Fund, undertake primary management activities in relation to the Fund, including but not limited to overall strategy, new acquisition and disposal analysis, marketing and communications, individual asset performance and business planning, market performance analysis and other activities as provided under the Deed.

In addition, the Manager covenants with the Trustee and each of the Unitholders, inter-alia, the following:

- (a) To carry on and conduct its business in a proper, diligent and efficient manner and ensure that the Fund is carried on and conducted in a proper, diligent and efficient manner and in accordance with the Deed and applicable laws and requirements as well as acceptable and efficacious business practices in the real estate investment trust industry;
- (b) To act with due care, skill, diligence in managing the Fund and effectively employ the resources and procedure necessary for the proper performance of the Fund;
- (c) Shall take all necessary steps to ensure that the assets of the Fund are adequately protected and properly segregated;
- (d) To observe high standards of integrity and fair dealing in managing the Fund to the best and exclusive interest of the Unitholders;
- (e) Not to take on, lease or otherwise acquire, except for the purpose of operating the Fund and those entered into in the ordinary course of business, any immovable property or any interest therein; and
- (f) Any other roles, duties and obligations as provided under the Deed.

## **8.9 RETIREMENT, REMOVAL OR REPLACEMENT OF MANAGER**

Please refer to Section 16 for details on the retirement, removal or replacement of the Manager as provided for in the Deed.

## **8.10 POWERS OF THE MANAGER TO REMOVE OR REPLACE THE TRUSTEE**

Please refer to Section 16 for details on the powers of the Manager to remove or replace the Trustee as provided for in the Deed.

## **8.11 CORPORATE GOVERNANCE**

The Board and the Manager shall adopt principles of good corporate governance as laid out in the Malaysian Code of Corporate Governance, REIT Guidelines and Listing Requirements. The Board is ultimately responsible for the stewardship, direction and policies of the Fund. It focuses mainly on strategies, financial performance and key business issues.

## **Board composition**

The Board currently has five (5) Directors, comprising three (3) Non-Independent Directors and two (2) Independent Directors.

Whilst the Directors have fiduciary duties to the Unitholders, the Independent Directors have the responsibility to bring independent and objective observations and judgment to bear on the Board decisions.

## **Appointment of new Directors to the Board**

The Manager has in place, a transparent process in appointment of new Directors to the Board. The entire Board will deliberate on the suitability of the candidate prior to any appointment of new Directors.

## **Board meetings**

Board meetings shall be held formally once every quarter and more frequently should circumstances require.

## **Directors' Remunerations**

In line with the commitment to develop a dynamic performance culture, the Manager has adopted a remuneration policy that will attract and retain people of the quality necessary to ensure the management of Al-Hadharah Boustead REIT is carried out in an efficient, effective and conscientious manner.

In essence, the remuneration policy for Directors is designated to align rewards with business performance and commensurate with the relevant industry insight and experience being brought to the Board.

## **Internal Control**

The Board has the overall responsibility for the system of internal control. The system aims to safeguard Unitholders' investment and Al-Hadharah Boustead REIT's assets, ensure that financial statements are prepared in accordance with Malaysia's approved accounting standards and that the financial reporting is presented in a balanced manner to reflect a true and fair view of the financial position of Al-Hadharah Boustead REIT.

The system is also designated to provide reasonable assurance of effective operations and compliance with laws and regulations. However, any system of internal control can only provide reasonable, not absolute, assurance against material misstatement or loss.

## **8.12 POLICY ON REBATES AND SOFT COMMISSION**

The Manager may channel all rebates, if any, received from stockbrokers/ dealers to Al-Hadharah Boustead REIT. However, goods and services (“Soft Commission”) from any broker are retained by the Manager, where the Soft Commissions are of demonstrable benefit to the Unitholders such as fundamental databases, financial wire services, technical analysis software and stock quotation incidental to investment management of Al-Hadharah Boustead REIT.

## **8.13 PLANTATION ADVISER**

The Manager has appointed Mohd Jani Hashim as the Plantation Adviser to be responsible to monitor the overall state and condition of all aspects of the Plantations Assets. He has more than thirty (30) years experience in managing oil palms estates and/or mills for Boustead Group which includes the management of Batu Pekaka Estate, Lapan Kabu Estate, Bukit Mertajam Estate and Bekoh Estate.

He retired from the Boustead Group in 2006 and is independent adviser for various groups including Kumpulan Guthrie Berhad in relation to which he is the external plantation adviser on a part-time basis.

For more details of the Plantation Adviser, please refer to the profile of Mohd Jani Hashim as set out in Section 8.13.2 of the Prospectus.

### **8.13.1 Responsibilities and Duties of Plantation Adviser**

The Plantation Adviser is mainly responsible for monitoring the overall state and condition of all aspects of the Plantation Assets.

The key role of the Plantation Adviser includes, amongst others, the following:-

- (a) Monitoring the implementation of the replanting programme for the Plantation Assets;
- (b) Reviewing plantation and mill performance;
- (c) Visiting and inspecting the Plantation Assets located on the various plantation estates at intervals as required and specified by the Manager and submitting a written report after the visit detailing the state and conditions of all aspects of the Plantation Assets together with the necessary recommendations considered desirable;
- (d) Reviewing quarterly reports pertaining to the status of the Plantation Assets including the yield performance of the oil palms and condition of the palm oil mills;
- (e) Reviewing a programme for the improvement of the plantation estates and palm oil mills for continuous yield performance and upgrading; and
- (f) Monitor all agronomic and agricultural practices adopted by the Tenants vis-a-vis the best market agronomic practices in the plantation industry. For the avoidance of doubt, the Plantation Adviser’s role is primarily to advise the Manager on the above matter.

### **8.13.2 Profile of the Plantation Adviser**

Mohd Jani Hashim graduated from Institute Technology Malaysia in 1973 with a Diploma in Planting Industry Management. In July 1973, he started his career as a Junior Assistant at Malakoff Estate with BEA and was promoted to Senior Assistant in 1978. From 1983 to 2000, he took over the management of Bekoh Estate, Bukit Bujang Estate, Ladang Ketengah Perwira, Batu Pekaka Estate, Kuala Muda Estate, Nak Estate and Rimba Nilai Estate (as a Project Coordinator) over the 17 years. He was promoted to Senior Manager in 1998 and the Visiting Agent in 2000 before retiring in 2006.

### **8.13.3 Plantation Adviser's Fee**

The Plantation Adviser shall be entitled to be paid by Al-Hadharah Boustead REIT, the fees and charges (if any) as set out in the appointment letter between the Manager and Plantation Adviser or any variation in such fees and charges as may from time to time be agreed upon between the parties.

### **8.13.4 Unitholdings of the Plantation Adviser in Al-Hadharah Boustead REIT**

Presently, Mohd Jani Hashim does not hold any Units in Al-Hadharah Boustead REIT.

## **8.14 REGISTRAR**

The Manager will appoint and delegate the unit registration function to PFA as the Registrar for the Fund, subject to the approval of the SC. The application for the delegation of the unit registration function to the Registrar has been made to the SC and is currently pending its approval.

PFA was incorporated in Malaysia under the Act on 2 July 1974 as a private limited company under the name of Projects For Asia (Management) Sdn Bhd. It resumed its current name on 31 March 1987. The present authorised share capital of PFA is RM600,000 comprising 600,000 ordinary shares of RM1.00 each of which 349,000 have been issued and fully paid-up. PFA is principally involved in the provision of share registration services.

The Registrar for Al-Hadharah Boustead REIT will be managing certain administrative and depository compliance related matters for Al-Hadharah Boustead REIT. The Registrar has provided share registration services to more than 100 clients comprising public-listed and private companies.

## **8.15 RELATIONSHIP BETWEEN BOUSTEAD REIT MANAGERS (AND ITS RELATED CORPORATIONS AND ASSOCIATED PERSONS) AND THE VENDORS**

LTAT and Boustead Holdings, both deemed related corporations/associated person (as defined in the REIT Guidelines) of the Manager, are substantial shareholders of the Vendors, namely Boustead Properties, Boustead Heah Joo Seang Sdn Bhd and Boustead Plantations Berhad.

Y.Bhg.Tan Sri Dato' Lodin Wok Kamaruddin, who is a Director of the Manager, also sits on the Boards of Boustead Holdings, Boustead Properties and Boustead Plantations Berhad. He is also the Chief Executive of LTAT.

Save as disclosed above, there is no other relationship between the Manager, its related corporation and/or associated persons (as defined in the REIT Guidelines) and the Vendors.

## **8.16 POTENTIAL CONFLICTS OF INTERESTS**

In accordance to the Deed, the prior approval of the Trustee is required for all acquisitions and disposals of the Plantation Assets by the Fund, including related party transactions. For related party transactions, a valuation has to be undertaken by an independent qualified valuer and the valuation is to be given to the Trustee.

Unitholders' approval is also required for related party transactions which involves acquisition at prices higher than the market value assessed or disposals at prices lesser than 90% of the market value assessed or for disposals exceeding 5% of the Funds' total assets value, where the Manager, its related corporations and associated persons (as defined in the REIT Guidelines) are not allowed to vote on such transactions.

Further, the Deed also provides that the Manager and any of its delegates should avoid conflicts of interest arising or if conflicts of interest arise, the Manager should ensure that such transactions are on terms that are not more favourable than to independent parties and at arm's length basis to such related parties.

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## 9.0 BACKGROUND INFORMATION OF THE TRUSTEE

### 9.1 HISTORY AND BUSINESS

CIMB Trustee acts as trustee for eleven (11) unit trust funds namely ASM First Public Fund, Amanah Saham Pekerja-Pekerja TNB, Amanah Saham Darul Iman, Pacific Dana Aman, RHB Mudharabah Fund, RHB Malaysia Recovery Fund, RHB Islamic Bond Fund, RHB Islamic Growth Fund, Dow Jones-RHB Islamic Malaysia Index Fund, Amanah Raya Syariah Trust Fund and AmanahRaya Unit Trust Fund and two (2) real estate investment trust funds, namely Amanah Harta Tanah PNB 2 and AmanahRaya REIT.

CIMB Trustee was incorporated on 19 January 1988 with an authorised capital of RM1,000,000 and issued and paid-up capital of RM500,000. Its shares are held by the following members:-

Shareholders	%
CIMB Bank Berhad (formerly known as Bumiputra-Commerce Bank Berhad)	20%
BBMB Securities (Holdings) Sdn Bhd	20%
BBMB Properties Sendirian Berhad	20%
Bumiputra-Commerce Finance Berhad	20%
Bumiputra-Commerce Nominees Sdn Bhd	20%
Total	100%

### 9.2 EXPERIENCE IN THE TRUSTEE BUSINESS

CIMB Trustee has been acting as trustee to REIT and unit trust funds for the past 14 years and 12 years respectively. As at the Latest Practicable Date, CIMB Trustee acts as trustee for two (2) REIT and eleven (11) unit trust funds.

In addition to overseeing these funds, CIMB Trustee also acts as trustee for various loans and private debt securities issues like bonds and notes. Other than being the administrator of deceased's estates, executor of wills, trustee for minors or incapacitated persons, CIMB Trustee also acts as trustee for public, charitable, staff retirement and pension/ gratuity fund scheme, custodian trustee for associations, clubs and others. It also acts as attorney for executors or administrators residing abroad.

As at the Latest Practicable Date, the Trustee has total staff force of sixteen (16) employees, comprising ten (10) executives and six (6) non-executives.

### 9.3 FINANCIAL HIGHLIGHTS

The following is a summary of CIMB Trustee's past audited financial performance for the FYE 31 December 2003, 2004 and 2005:

Financial Highlights	Year Ended 31 December		
	2005 RM	2004 RM	2003 RM
Paid-up Capital	500,000	500,000	500,000
Shareholders' Funds	1,954,788	2,178,329	2,672,451
Turnover	1,734,703	2,037,386	1,637,826
(Loss)/Profit Before Taxation	(213,734)	22,095	134,468
(Loss)/Profit After Taxation	(223,541)	5,878	66,900

#### 9.4 BOARD OF DIRECTORS

The details of the Directors of CIMB Trustee as at the Latest Practicable Date are as follows:

Name	Directorship
Y.Bhg. Tan Sri Dato' Seri Haidar bin Mohamed Noor	(Independent Director & Chairman)
Loh Shai Weng	(Non-Independent Director)
Norhayati binti Hashim	(Non-Independent Director)

#### 9.5 KEY MANAGEMENT TEAM

The profiles of the key management team of CIMB Trustee are as follows:

##### **Khoo Leng Kee (Chief Operating Officer)**

She joined CIMB Trustee on 12 August 2005 as the Chief Operating Officer. She has more than twenty (20) years of working experience in capital markets, corporate and retail banking, and securities services. Prior to her appointment with CIMB Trustee, she headed the Corporate Agency and Securities Services team of a leading investment bank in Malaysia. She is a Senior Associate Member of Institut Bank-Bank Malaysia.

##### **Wong Siak Nyen (Manager, Corporate Trust)**

He joined CIMB Trustee, in February 2005 as the Manager for the Corporate Trust. He has more than twenty five (25) years of experience in the banking/financial and trustee industry. He also is a Senior Associate Member of Institut Bank-Bank Malaysia and a Licensed Secretary.

##### **Tan Ping Ying (Manager, Corporate Trust)**

She holds a LLB (Honours) from University of Wolverhampton, United Kingdom and M.A. in Legal Studies from University of Hertfordshire, United Kingdom. She was admitted to the Inner Temple as a Barrister-at-Law in 1996 and was called to the Malaysian Bar in 1997. She was in private practice in Kuala Lumpur for five (5) years and thereafter attached to various established trust companies prior joining CIMB Trustee.

##### **Linda Ong Gaik Bee (Legal and Compliance, Assistant Manager)**

She joined CIMB Trustee, in December 2003 as Legal and Compliance Executive. She holds a degree in Bachelor of Law from University of Buckingham, England, United Kingdom and was called to the Malaysian Bar in 2003. Prior to joining CIMB Trustee, she was in private practice in Kuala Lumpur. She has more than four (4) years of experience in the trustee industry.

#### 9.6 TRUSTEE'S FEES

In accordance with the Deed, the Trustee is entitled to receive a fee of 0.03% per annum of the NAV of the Al-Hadharah Boustead REIT calculated based on a monthly accrual basis and to be paid to the Trustee monthly in arrears.

For avoidance of doubt and in accordance with REIT Guidelines, for the purpose of computing the annual management fee and the annual trusteeship fee, the NAV of the Al-Hadharah Boustead REIT should be inclusive of the management fee and the trustee fee for the relevant day. The Trustee's fee may only be varied upwards with the prior approval of the Unitholders by way of an ordinary resolution.

There will be no payment due to the Trustee by way of remuneration for its services upon the subscription for or sale of a Unit and upon any distribution of income and capital otherwise. Save for the expenses incurred for the general overheads and costs for services which the Trustee is expected to provide, or falling within the normal expertise of the Trustee, the Trustee has the right to be reimbursed for fees, charges, expenses and outgoings incurred by it that are directly related and necessary to the business of the Fund.

#### **9.7 FUNCTIONS, DUTIES AND OBLIGATIONS OF TRUSTEE**

The Trustee's functions, duties and responsibilities are set out in the Deed. The general function, duties and responsibility of the Trustee include, but are not limited to, the following:-

- (a) acting as trustee of Al-Hadharah Boustead REIT and, therefore, safeguarding the rights and interests of the Unitholders;
- (b) holding the assets of Al-Hadharah Boustead REIT on trust for the benefit of the Unitholders; and
- (c) exercising all the powers of a trustee and the powers that are incidental to the ownership of the assets of Al-Hadharah Boustead REIT.

The Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unitholders.

#### **9.8 RETIREMENT/REMOVAL OF THE TRUSTEE**

Please refer to Section 16 for details on the retirement/removal of the Trustee as provided for in the Deed.

#### **9.9 POWERS OF TRUSTEE TO REMOVE/REPLACE THE MANAGER**

Please refer to Section 16 for details on the powers of the Trustee to remove or replace the Manager as provided for in the Deed.

#### **9.10 TRUSTEE'S STATEMENT OF RESPONSIBILITY**

The Trustee has stated its willingness to assume:

- (a) the position as trustee of Al-Hadharah Boustead REIT; and
- (b) all the obligations in accordance with the Deed and all relevant laws, regulations and rules.

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**10. BACKGROUND INFORMATION ON THE SHARIAH ADVISER OF THE FUND**

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Al-Hadharah Boustead REIT has appointed Islamic Banking and Finance Institute Malaysia Sdn. Bhd. as its Shariah Adviser to advise on all Shariah matters and to ensure full compliance with the REIT Guidelines (in relation to an Islamic REIT).

IBFIM has been approved by the SC to act in the capacity of a Shariah Adviser, pursuant to the SC's List of Registered Shariah Advisers.

**10.1 HISTORY AND BUSINESS**

IBFIM was incorporated as a private limited liability company in Malaysia under the Act on 13 April 1995 and commenced operations on 1 August 1995. As at the Latest Practicable Date, its authorised capital stood at RM25,000,000.00 comprising 25,000,000 ordinary shares of RM1.00 each, of which 10,000,001 ordinary shares of RM1.00 each have been issued and fully paid-up.

IBFIM's establishment is in line with Malaysia's target to become a regional and international centre of Islamic finance. IBFIM promotes and facilitates the understanding and appreciation of the philosophy and principles of Islamic financial system.

As at the Latest Practicable Date, IBFIM is the Shariah Adviser for 48 Shariah-based unit trust funds managed by 17 unit trust and investment management companies.

**10.2 SHAREHOLDERS**

The shareholders of IBFIM as at the Latest Practicable Date are as follows:-

Bank Negara Malaysia (Special Shareholder)  
BIMB Holdings Berhad  
AmInvestment Bank Berhad  
Malayan Banking Berhad  
Alliance Bank Malaysia Berhad  
Affin Bank Berhad  
Bank Muamalat Malaysia Berhad  
EON Bank Berhad  
Hong Leong Islamic Bank Berhad  
Public Bank Berhad  
RHB Islamic Bank Berhad  
Southern Bank Berhad  
Takaful Nasional Sdn. Bhd.

### 10.3 BOARD OF DIRECTORS

The Directors of IBFIM as at the Latest Practicable Date are as follows:

Tan Sri Dato' Sri Dr. Zeti Akhtar Aziz	- Chairman
Tan Sri Dato' Azman Hashim	- Director
Datuk Amirsham A. Aziz	- Director
En. Bakarudin Ishak	- Director
En. Abdullah Arshad	- Director
En. Md Azmi Abu Bakar	- Director
En. Aminuddin Md Desa	- Director
En. Mustapha Hamat	- Director / Chief Executive Officer

### 10.4 ROLE, FUNCTIONS, DUTIES AND RESPONSIBILITIES OF THE SHARIAH ADVISER

IBFIM is the Shariah Adviser to Al-Hadharah Boustead REIT. As the Shariah Adviser, the role of IBFIM is to ensure that the operations and investments made on behalf of Al-Hadharah Boustead REIT are in compliance with Shariah requirements. IBFIM shall provide the following Shariah advisory services:

1. Ensuring that Al-Hadharah Boustead REIT is managed and administered in accordance with Shariah requirements;
2. Providing expertise and guidance for Al-Hadharah Boustead REIT in all matters relating to Shariah requirements, including on Al-Hadharah Boustead REIT's deed and prospectus, its structure and investment process, and other operational and administrative matters;
3. Assessing any property to be acquired by Al-Hadharah Boustead REIT;
4. Preparing a report to be included in Al-Hadharah Boustead REIT's interim and annual report certifying whether Al-Hadharah Boustead REIT's have been managed in accordance with applicable guideline, ruling or decision issued by the SC pertaining to Shariah matters;
5. Scrutinising Al-Hadharah Boustead REIT's compliance report, transaction report and any other report deemed necessary for the purpose of ensuring that Al-Hadharah Boustead REIT's investments are in line with Shariah requirements;
6. Consulting the SC who may consult the Shariah Advisory Council where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process; and
7. Assisting and attending to any ad-hoc meeting called by the SC and/or any other relevant authority.

## 10.5 PROFILE OF THE DESIGNATED PERSONS RESPONSIBLE FOR SHARIAH MATTERS RELATING TO AL-HADHARAH BOUSTEAD REIT

The designated persons responsible for Shariah matters relating to Al-Hadharah Boustead REIT are:

### 1. **Mohd Bakir Haji Mansor** **Distinguished Shariah Fellow**

**Mohd Bakir Haji Mansor** is a member of the Shariah Supervisory Councils of Bank Islam Malaysia Berhad (BIMB), Syarikat Takaful Malaysia Berhad and ASEAN Retakaful International (L) Ltd.

Prior to joining IBFIM, Mohd Bakir was the Shariah Coordinator at BIMB, a post he held since 1984. Previously, he served at the National Council for Islamic Religious Affairs in the Prime Minister's Department for 10 years from 1971. He was also one of the Chief Assistant Directors at the Islamic Research Centre for 4 years from 1980. He holds a Cambridge Oversea School Certificate and Shahadah Ulya from Kolej Islam Malaya.

### 2. **Mohd Nasir Ismail** **Senior Shariah Fellow**

**Mohd Nasir Ismail** is currently in charge of programme development and management for Shariah related courses under Training and Development Department. Before joining IBFIM, he was with Institut Pengajian Ilmu-Ilmu Islam, Kelantan.

Mohd Nasir graduated with a Bachelor of Shariah (Honours) from the University of Malaya in 1998.

### 3. **Mohamad Nabil Mohamad Shukri** **Senior Shariah Fellow**

**Mohamad Nabil Mohamad Shukri** graduated with a Bachelor of Islamic Revealed Knowledge and Heritage (Fiqh and Usul Fiqh) and a Post Graduate Diploma in Administration of Islamic Judiciary from the International Islamic University Malaysia.

Prior to joining IBFIM, he served Institut Pengajian Ilmu-Ilmu Islam Kelantan as a Lecturer of Islamic Studies and Islamic Psychology. He is currently attached with Business Advisory Department.

**4. Ahmad Tarmidzi Al-Muttaqi Mahmood**  
**Senior Shariah Fellow**

**Ahmad Tarmidzi Al-Muttaqi Mahmood** obtained a Diploma in Islamic Studies (Shariah) from Kolej Ugama Sultan Zainal Abidin, Kuala Terengganu and later a Bachelor of Shariah Islamiyyah (Honours) from Al-Azhar University, Cairo, Egypt.

Ahmad Tarmidzi joined the Institute in October 2004 and currently attached with Business Advisory Department. Prior to that, he served as an Editor at Pustaka Salam Sdn. Bhd. and has edited a few translation books on Shariah. He is responsible in providing Shariah input on the advisory and consultancy work of the department.

**10.6 SHARIAH COMPLIANCE CRITERIA**

In order to ensure compliance with the REIT Guidelines (in relation to an Islamic REIT), the underlying plantation estates and mills under Al-Hadharah Boustead REIT's portfolio of investments shall adhere to the following:

- (a) the tenants of the plantation assets of Al-Hadharah Boustead REIT operate permissible activities according to the Shariah, in this case related to plantation activities;
- (b) the rental income of Al-Hadharah Boustead REIT are derived from Shariah permissible activities, including the oil palm cultivation and processing of palm oil and shall remain guided by the 20% benchmark as determined by the SC's Shariah Advisory Council for the criteria on rental from non-permissible activities;
- (c) Al-Hadharah Boustead REIT will not own any real estate (including plantation assets) in which all the tenants operate non-permissible activities. The current tenants of all the Plantation Assets are involved in oil palm cultivation and processing of palm oil, which are permissible activities in accordance with the Shariah;
- (d) Al-Hadharah Boustead REIT will ensure that all forms of investment, deposit and financing instruments comply with Shariah requirements;
- (e) The Manager will obtain and maintain Takaful scheme coverage on the assets of Al-Hadharah Boustead REIT against fire and public liability, which are statutory Takaful requirements as well as loss of rental coverage. Only if the Takaful schemes are unable to provide the coverage, Al-Hadharah Boustead REIT is permitted to use conventional insurance schemes; and
- (f) any other requirements as stipulated under the REIT Guidelines (in relation to an Islamic REIT).

## 11. RELATED PARTY TRANSACTIONS/CONFLICT OF INTEREST

### 11.1 EXISTING AND PROPOSED RELATED-PARTY TRANSACTION AND CONFLICT OF INTEREST

Save as disclosed below, there are no other existing and/or proposed related party transaction or conflict of interest situations or other subsisting contracts of arrangements, involving Al-Hadharah Boustead REIT, the Promoters, the Manager, the Vendors and/or persons connected to them.

Related Party	Party with whom the transaction was carried out	Nature of Transaction	Relationship
<p>Boustead Holdings</p> <p>LTAT</p> <p>Y.Bhg.Tan Sri Dato' Lodin Wok Kamaruddin</p> <p>Y.Bhg Gen. (R) Tan Sri Dato' Mohd Ghazali Hj. Che Mat</p>	<p>Boustead Holdings</p> <p>LTAT</p> <p>IPSB</p> <p>YWP</p>	<p>Subscription of 999,998 new ordinary shares of RM1.00 each in Boustead REIT Managers</p>	<p>LTAT is the substantial shareholder of Boustead Holdings and IPSB. Y.Bhg.Tan Sri Dato' Lodin Wok Kamaruddin sits on the Boards of Boustead Holdings and Boustead REIT Managers. He is also a member of the Board of Trustee of YWP and the Chief Executive of LTAT. As at the Latest Practicable Date, LTAT, Boustead Holdings, IPSB and YWP respectively hold 30%, 19%, 21% and 30% equity interest in Boustead REIT Managers.</p> <p>Y. Bhg. Gen. (R) Tan Sri Dato' Mohd Ghazali Hj. Che Mat is a common Director of Boustead Holdings and Boustead Properties. He is also the chairman of LTAT and a member of the Board of Trustees of YWP which in turn owns 30% of Boustead REIT Managers.</p>
<p>Boustead Holdings</p> <p>LTAT</p> <p>Y.Bhg.Tan Sri Dato' Lodin Wok Kamaruddin</p>	<p>Boustead Heah Joo Seang Sdn Bhd</p> <p>Boustead Plantations Berhad</p> <p>Boustead Properties</p>	<p>Acquisition of the Plantation Assets pursuant to the SPAs dated 14 December 2006 entered into between the Trustee and the Vendors and the Ijarah Arrangement pursuant to the Ijarah Agreements entered into between the Tenants and the Trustee.</p>	<p>LTAT and Boustead Holdings are the substantial shareholders of Boustead Heah Joo Seang Sdn Bhd, Boustead Plantations Berhad and Boustead Properties.</p> <p>Y.Bhg. Tan Sri Dato' Lodin Wok Kamaruddin sits on the Boards of Boustead Holdings, Boustead Properties, Boustead Plantations Berhad. He is also the Chief Executive of LTAT.</p>
<p>Boustead Holdings</p> <p>LTAT</p> <p>Y.Bhg.Tan Sri Dato' Lodin Wok Kamaruddin</p>	<p>BEA</p>	<p>Plantation estate and mill management services provided by BEA</p>	<p>LTAT and Boustead Holdings are the substantial shareholders of BEA.</p> <p>Y.Bhg.Tan Sri Dato' Lodin Wok Kamaruddin sits on the Boards of Boustead Holdings and BEA. He is also the Chief Executive of LTAT.</p>

<b>Related Party</b>	<b>Party with whom the transaction was carried out</b>	<b>Nature of Transaction</b>	<b>Relationship</b>
Boustead Holdings LTAT Y.Bhg.Tan Sri Dato' Lodin Wok Kamaruddin	Affin Bank  Affin Investment Bank	Financial Advisory services, underwriting and placement services in relation to the listing of the Fund	LTAT is the ultimate substantial shareholder of Affin Bank and Affin Investment Bank.  Affin Investment Bank is 100% owned by Affin Holdings Berhad. Boustead Holdings is a substantial shareholder of Affin Holdings Berhad.  Y.Bhg.Tan Sri Dato' Lodin Wok Kamaruddin sits on the Boards of Affin Bank, Affin Holdings Berhad and Affin Investment Bank and he is also the Chief Executive of LTAT.
Boustead Holdings LTAT	Boustead REIT Managers	Provision of management and administration services to the Fund	LTAT and Boustead Holdings are the substantial shareholders of Boustead REIT Managers. They are also deemed as the substantial unitholders of the Fund via the Units held through the Vendors.

Pursuant to the SPAs, the Vendors, Boustead Holdings or any of its subsidiaries have a first right of refusal to purchase of any of the Plantation Assets at the prevailing market price in the event of a sale by the Fund. Hence, there could be potential conflict of interest arising from such transactions. However, such conflict of interest situation is mitigated as a valuation must be undertaken on the Plantation Assets by an independent qualified valuer and the valuation report must be submitted to the Trustee for their approval, as provided in the Deed and the REIT Guidelines.

In addition, in the transactions where approval of Unitholders is required, as provided in the Deed and the REIT Guidelines, neither the Manager nor its related companies or associated persons will be able to vote at the meetings of Unitholders to approve the said transactions, hence mitigating the conflict-of-interest situation.

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**12. TAXATION OF AL-HADHARAH BOUSTEAD REIT**

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*(Prepared for inclusion in this Prospectus)*



**KPMG Tax Services Sdn. Bhd.**  
**(Co. No. 96860-M)**  
Wisma KPMG  
Jalan Dungun, Damansara Heights  
50490 Kuala Lumpur, Malaysia

Telephone +60 (3) 2095 3388  
Fax +60 (3) 2095 2177  
Internet [www.kpmg.com.my](http://www.kpmg.com.my)

18 December 2006

**Private and confidential**

The Board of Directors  
Boustead REIT Managers Sdn Bhd  
2nd Floor Menara Boustead  
69, Jalan Raja Chulan  
50200 Kuala Lumpur  
Malaysia

Dear Sirs

**Re: Taxation of Al-Hadharah Boustead Real Estate Investment Trust (“Al-Hadharah Boustead REIT”) and unit holders**

This letter has been prepared for inclusion in the Prospectus dated 15 January 2007 to be issued in connection with the offer of units in Al-Hadharah Boustead REIT.

The purpose of this letter is to provide prospective purchasers of units in Al-Hadharah Boustead REIT with an overview of the Malaysian tax consequences of acquisition, ownership and disposal of these units.

The Malaysian tax position is based on the interpretation of the Malaysian tax laws and provisions as they stand at present. Please note that these interpretations of the Malaysian tax laws and provisions may be subject to change, possibly with a retrospective effect.

All prospective investors should not treat the contents of this letter as advice relating to taxation matters and are advised to consult their own professional advisers concerning their respective investments. Particularly, prospective purchasers that are not Malaysian tax residents, should take into account the tax laws of their respective countries of residence and the existence of any tax treaty which their country of residence may have with Malaysia.

**Taxation of Al-Hadharah Boustead REIT**

Al-Hadharah Boustead REIT is treated as a unit trust for Malaysian tax purposes. The taxation of Al-Hadharah Boustead REIT is therefore governed principally by Sections 61, 61A and 63C of the Income Tax Act, 1967 (“the Act”).

Income of a Real Estate Investment Trust (“REIT”), where subject to income tax, will be subject to tax at the rate of 28% (prevailing rate). The taxable income of a REIT, which is distributed to unit holders in the same basis period, will be exempted from income tax at the REIT level.

Undistributed income of a REIT is taxable at the prevailing tax rates. This is proposed to be changed with effect from the Year of Assessment 2007 under the 2007 Budget Proposals (see 2007 Budget Proposals below).

Capital gains from the realisation of investments by Al-Hadharah Boustead REIT will not be subject to income tax.

Taxable dividend income earned by Al-Hadharah Boustead REIT would have suffered a tax deduction at source at the prevailing rate of 28%. The tax deducted will be available for set off either wholly or partly against the tax liability of Al-Hadharah Boustead REIT. Any excess over the tax liability will be refundable to Al-Hadharah Boustead REIT.

Interest income or profit earned by Al-Hadharah Boustead REIT from the following is exempt from tax:-

- any savings certificates issued by the Government; or
- securities or bonds issued or guaranteed by the Government; or
- debentures, other than convertible loan stock, approved by the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia; or
- bonds or securities issued by Pengurusan Danaharta Nasional Berhad; or
- bonds other than convertible loan stocks, issued by any company listed in Malaysia Exchange of Securities Dealing and Automated Quotation Berhad; or
- a bank or financial institution licensed under the Banking and Financial Institutions Act 1989 or Islamic Banking Act 1983.

Income received by Al-Hadharah Boustead REIT from sources outside Malaysia will be exempt from tax.

Pursuant to Stamp Duty (Exemption) (No 4) Order 2004, all instruments of transfer of real property to a REIT approved by the Securities Commission are exempted from stamp duty. In addition to that, all instruments of deed of assignment executed between a REIT approved by the Securities Commission and the disposer relating to the purchase of real property are also exempted from stamp duty under Stamp Duty (Exemption) (No. 27) Order 2005. This would



result in savings for Al-Hadharah Boustead REIT, which in turn may be applied to income producing activities for the benefit of the unit holders.

### **Taxation of unit holders**

Unit holders are categorized into residents and non-residents for tax purposes. Resident unit holders will be taxed at their respective tax rates on the taxable income distributed in the same period. Non-resident unit holders will be subject to withholding tax at the prevailing tax rate of 28% on the taxable income distributed. Exempt income received by Al-Hadharah Boustead REIT (other than income exempted at Al-Hadharah Boustead REIT level due to distribution of income in the same basis period) that are distributed would be exempt in the hands of the unit holders. Under the 2007 Budget Proposals, the categories have been refined further, each with different tax rates (see 2007 Budget Proposals below).

Unit splits by Al-Hadharah Boustead REIT will be exempted from Malaysian tax in the hands of the unit holders.

Any gains realised by the unit holders (other than financial institutions, insurance companies and those dealing in securities) from the transfers or redemptions of the units are generally treated as capital gains which are not subject to income tax in Malaysia.

#### *Resident unit holders*

As a general rule, companies are tax resident in Malaysia where their management and control of its business or any of its businesses are exercised in Malaysia. Companies will also be viewed as Malaysian tax resident if at any time during the basis year the management and control of its affairs are exercised in Malaysia by its directors or other controlling authority. An individual is resident in Malaysia for a particular basis year of assessment if he or she is in Malaysia for a period of 182 days or more. An individual could still be tax resident if he or she is in Malaysia for less than 182 days subject to he or she meeting the other tests within the Act. The tests of residency mentioned herein are also subject to modifications by articles on residency in double taxation agreements, where applicable.

Unit holders are taxed on the amount of taxable income distributed to them.

Individuals and other non-corporate unit holders who are resident in Malaysia will be subject to income tax at scale rates. The prevailing scale rates range from 1% to 28%.

Corporate unit holders would be taxed at the prevailing tax rate of 28% on the amount of taxable income of Al-Hadharah Boustead REIT distributed to them. Corporate unit holders with paid-up capital in the form of ordinary shares of RM2.5 million and below will be subject to a tax rate of 20% on chargeable income of up to RM500,000. For chargeable income in excess of RM500,000, the prevailing rate of 28% is still applicable.

Where the income distributed to unit holders was subject to tax in Al-Hadharah Boustead REIT, the income distributed will carry with it a tax credit. Unit holders will be entitled to utilise the tax credit as a set off against the tax payable by them.

*Non-Resident unit holders*

Unit holders who are not resident in Malaysia, for tax purposes, will be subject to Malaysian income tax (the prevailing rate is 28%) which will be withheld at source by Al-Hadharah Boustead REIT. Where the income distributed has been subjected to tax in Al-Hadharah Boustead REIT, there would be no further withholding of tax. Non-resident unit holders may also be subject to tax in their respective jurisdictions and depending on the provisions of the relevant tax legislation and any double tax treaties with Malaysia, the Malaysian tax suffered may be creditable in the foreign tax jurisdictions.

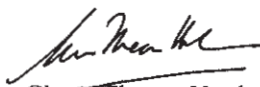
**2007 Budget Proposals**

Notwithstanding the above, we would highlight that pursuant to the Malaysian 2007 Budget proposals announced by the Prime Minister and Minister of Finance on 1 September 2006, the following proposals (“2007 Budget proposals”) affecting REITs have been proposed :

- i. Non-corporate investors that receive distributions from REITs listed on Bursa Malaysia will be subject to a final withholding tax at the rate of 15% for 5 years;
- ii. Foreign institutional investors (meaning a pension fund, collective investment scheme and such other persons approved by the Minister of Finance) that receive distributions from REITs listed on Bursa Malaysia will be subject to a final withholding tax at the rate of 20% for 5 years;
- iii. Local corporate investors will be subject to the existing tax treatment and tax rates;
- iv. Foreign corporate investors will be subject to a final withholding tax at the rate of 27%;
- v. REITs will be exempted from tax on all its income provided that at least 90% of its total income is distributed to the investors;
- vi. Where the 90% distribution is not complied with, the undistributed chargeable income of the REITs will be subject to income tax at the prevailing tax rates; and
- vii. For the Year of Assessment 2007, the prevailing tax rate for a company, trust body, an executor of an estate of an individual who was domiciled outside Malaysia at the time of his death and a receiver appointed by the court is proposed to be reduced to 27%, and to 26% in the Year of Assessment 2008.

Please note that the above proposals are subject to changes or amendments in the legislation giving effect to the above 2007 Budget proposals. It is proposed that the above 2007 Budget proposals (i) and (ii) are to be effective from 1 January 2007 and the 2007 Budget proposals (iv), (v), (vi) and (vii) are to be effective from the Year of Assessment 2007.

Yours faithfully



Chew Theam Hock  
*Executive Director*

### 13. VALUATION CERTIFICATE

(Prepared for inclusion in this Prospectus)

## C H Williams Talhar & Wong

C H Williams Talhar & Wong Sdn Bhd (18149-U)

Juruukur Berkanun  
Chartered Surveyors

Perunding Harta Antarabangsa  
International Property Consultants



32<sup>nd</sup> Floor, Menara Tun Razak  
Jalan Raja Laut  
P O Box 12157  
50768 Kuala Lumpur  
Malaysia  
Tel : 03-2693 8888  
Fax : 03-2693 6565  
E-mail: [kualalumpur@wtw.com.my](mailto:kualalumpur@wtw.com.my)  
Website: [www.wtw.com.my](http://www.wtw.com.my)

Our Ref : 6374/06/LSH

18 December 2006

The Board of Directors  
Boustead Holdings Berhad  
28<sup>th</sup> Floor  
Menara Boustead  
69, Jalan Raja Chulan  
50200 Kuala Lumpur

Dear Sirs

**BOUSTEAD HOLDINGS BERHAD ("Boustead" or "Company")  
VALUATION OF 10 PLANTATION ASSETS  
IN RELATION TO THE LISTING OF BOUSTEAD ISLAMIC REIT  
ON THE MAIN BOARD OF BURSA MALAYSIA SECURITIES BERHAD**

Mohd Talhar A Rahman  
FRICS, FISM, MSISV, APEPS  
Goh Tian Sui  
B.Sc., FRICS, FISM, APEPS  
Ping Soo Theng  
B.Sc., FRICS, MISM, APEPS  
Chong Pah Aung SMP  
B.Sc., FRICS, FISM, APEPS  
Tew You Kian  
B.Surv., MISM, APEPS  
Md Baharuddin Mustafa  
B.Surv., FISM, MAMM, APEPS  
Wan Nordin Wan Salleh  
Dip. in Val., Dip. in Est. Mgt., MISM, APEPS  
Danny Yeo Soon Kee  
Dip. in Val., MISM, APEPS  
Foo Gee Jen  
B.Surv., MISM, APEPS  
Tony Lee Eng Kow  
B.Sc., MISM, APEPS  
Ku Fuziah Ku Hamzah  
B.Sc., MISM, APEPS  
Aziah Mohd Yusoff  
MBA, BIF, MRICS, MISM, APEPS  
Heng Kiang Hai  
MBA, B.Surv., MISM, APEPS  
  
Consultant  
Abdul Halim Othman  
B.Sc., FRICS, FISM, APEPS

This certificate has been prepared for inclusion in the Prospectus of Boustead Islamic Reit to be dated 15 January 2007 in relation to the listing exercise of BOUSTEAD I-REIT on the Main Board of Bursa Malaysia Securities Berhad.

In accordance with your instructions to value the above-mentioned properties for the purpose of submission to the Securities Commission and inclusion in the said Prospectus, we have inspected the abovementioned properties, extracted particulars of title(s) at the relevant Land / Registry Office and gathered other information necessary to arrive at our opinion of value.

We have inspected the properties on the dates as stated in the schedule below and as instructed the material date of valuation is taken to be the date of inspection.

The basis of the valuation is the market value of the subject properties. The market value is the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

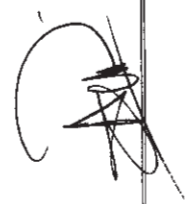
The valuation has been prepared in accordance with the requirements as set out in the Guidelines on Asset Valuations issued by the Securities Commission, Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia.

We have valued the subject properties by Investment (Discounted Cash Flow) Method and where appropriate, Comparison Method, vide our respective Valuation Reports under Reference Nos. as listed in the following schedule.

Brief description of the subject properties is as follows: -

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PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BEKOH ESTATE, JOHOR</b>            (Our Ref No. : DY/WTW/JB/312/2006 dated 20 July 2006)            [Date of Inspection / Valuation : 8 June 2006]</p>		
<p><b>Lot No.</b>            Lot 208, Mukim of Tangkak, District of Muar, Johor</p>	<p>The subject property is an oil palm estate known as Bekoh Estate. It is located off the Tangkak- Segamat main road and about 13 kilometres north west of Tangkak town.</p>	<p><b>RM34,700,000/-</b>            (Ringgit Malaysia : Thirty Four Million And Seven Hundred Thousand Only)</p>
<p><b>Title No.</b>            GRN 81166</p>	<p><b>Site</b>            The subject property has a net titled land area of 1,226.1247 hectares.</p>	<p><b>Method of Valuation</b>            Investment (Discounted Cash Flow) Method.</p>
<p><b>Location</b>            Approximately 13 Kilometres north west of Tangkak Town</p>	<p>The subject property is irregular in shape and is divided into forty three (43) fields for management purposes.</p>	<p>We have adopted capitalisation rate and discount rate at 9.5% and 5.5% respectively.</p>
<p><b>Titled Land Area</b>            1,226.6002 hectares</p>	<p>The estate has a variable terrain ranging from flat to undulating in terrain together with a few hilly areas.</p>	<p>Other Methods of Valuation are deemed not appropriate for this valuation.</p>
<p><b>Area Under Valuation</b>            1,226.1247 hectares</p>	<p><b>Buildings</b>            Erected on the subject property are the office building, manager's bungalow, assistant manager's bungalows, staff quarters, office and chemical store, dispensary, Indian Temple, surau, engine room, shop house, playground building, pump houses, creche, rubber factory/ fertiliser store, scrap store/ tractor garage/ workshop, fertiliser store, Ap's pondok, community hall, FFB ramp, weighbridge, fertiliser store.</p>	<p><b>Date of Valuation</b>            8 June 2006</p>
<p><b>Registered Owner</b>            SELANGOR COCONUTS BERHAD</p>	<p><b>Road System</b>            The estate is served by a network of motorable gravelled and laterite roads.</p>	
<p><b>Category of Land Use</b>            Nil</p>	<p><b>Existing Use</b>            The subject property is planted with 1,188.40 hectares of mature oil palms with the remaining 38.2 hectares under building sites, roads and unplanted hill. The palms were planted between 1983 and 2003.</p>	
<p><b>Tenure</b>            Term in perpetuity</p>	<p>The palms are of DxP hybrids. The planting stand varies from 135 to 152 palms per hectare.</p>	
<p><b>Encumbrances</b>  <u>Lease:</u>            An area measuring 400 square feet is leased to Lembaga Letrik Negara, Tanah Melayu for a period of 30 years expiring on 31 October 2016.</p>		




**C H Williams Talhar & Wong**


C H Williams Talhar & Wong Sdn Bhd (16149-U)

Our Ref: 6374/06/LSH

Page 3

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BEKOH ESTATE, JOHOR</b>            (Our Ref No. : DY/MTW/JB/312/2006 dated 20 July 2006)            [Date of inspection / Valuation : 8 June 2006]</p> <p><b>Express Conditions</b>            Nil</p> <p><b>Restriction In Interest *</b>            Nil</p> <p><b>Acquisition</b>            An area measuring approximately 1 acre 0 rood 28 poles has been acquired vide Presentation No. 64/1985 Volume 171 Folio 67 dated 8 January 1985. The total net land area for Lot No. 208 after the above acquisition is 1,226.1247 hectares.</p> <p>* Based on the private title search carried out by Messrs Azzat &amp; Izzat dated 21 August 2006 provided to us.</p>	<p><b>Existing Use (cont'd)</b></p> <p>The yields recorded in year 2005 range from 3.24 to 44.67 metric tonnes per hectare (on field by field basis).</p> <p>Average cost of production over the last five years is about RM125.45 per metric tonne.</p> <p>The extraction rate for year 2005 is 18.63% and 5.12% for palm oil and kernel.</p> <p><b>Planning Provisions</b>            Our verbal enquiries made at the Johor State Town and Country Planning Department revealed that the subject property is not under any specific zoning.</p> 	

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>KULAI YOUNG ESTATE, JOHOR</b> (Our Ref No. : DY/WTW/JB/310/2006 dated 21 July 2006) [Date of Inspection / Valuation : 6 June 2006]</p> <p><b>Lot Nos.</b> 3564, 2939 and PTD 71221 to 71230 (inclusive) Mukim of Senai-Kulai, District of Johor Bahru, Johor</p> <p><b>Title Nos.</b> GRN 80803, 100989 and H.S.(D) 359878 to 359887 (inclusive)</p> <p><b>Location</b> Along both sides of Jalan Alor Bukit 15 kilometres north of Pekan Nenas town.</p> <p><b>Titled Land Area</b> 1,036.5567 hectares</p> <p><b>Net Titled Land Area</b> 1,022.8976 hectares</p> <p><b>Area Under Valuation</b> 816.19 hectares</p> <p><b>Registered Owners</b> Lot Nos. 3564 and 2939 SELANGOR COCONUTS LIMITED</p> <p><b>Lot Nos. PTD 71221, 71223 – 71226 (inclusive) and 71228 – 71230 (inclusive)</b> SCB DEVELOPMENTS BERHAD</p>	<p>The subject property is an oil palm estate known as Kulai Young Estate. It is located along both sides of Jalan Alor Bukit, about 15 kilometres north of Pekan Nenas town.</p> <p><b>Site</b> The subject site is made up of twelve (12) parcel of land viz; Lot Nos 3564, 2939 and PTD 71221 to 71230 (inclusive). The net titled land area is 1,022.8976 hectares.</p> <p>The subject property is rectangular in shape and generally hilly in terrain.</p> <p><b>Buildings</b> Erected on the subject property are the staff bungalows, labour quarters, crèche, dispensary, shop house/canteen, fertiliser store, FFB ramp, workshop/ramp, tractor/trailer garage and office.</p> <p><b>Road System</b> The estate is served by a network of motorable laterite roads.</p> <p><b>Existing Use</b> The subject property is planted with 794 hectares of mature oil palms (excluding 7.3 hectares on PM94C). The palms were planted between 1983 to 1997.</p> <p>The palms are generally of DxP hybrids with fields PM94E and PM94F of Ramets type. The planting stand varies from 116 to 134 palms per hectare.</p> <p>The yields recorded in 2005 range from 10.90 to 28.05 metric tonnes per hectare (on field by field basis)</p>	<p><b>RM42,300,000/-</b> (Ringgit Malaysia: Forty Two Million and Three Hundred Thousand Only)</p> <p><b>Method of Valuation</b> Investment (Discounted Cash Flow) Method and Comparison Method (for the portion with development potential)</p> <p>We have adopted capitalisation rate and discount rate at 9.5% and 5.5% respectively.</p> <p><b>Date of Valuation</b> 6 June 2006</p>

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>KULAI YOUNG ESTATE, JOHOR</b>            (Our Ref No. : DY/WTW/JB/310/2006 dated 21 July 2006)            [Date of Inspection / Valuation : 6 June 2006]</p> <p><b>Registered Owners (cont'd)</b>  <u>Lot Nos. PTD 71222 and 71227</u>            BOUSTEAD PROPERTIES BERHAD</p> <p><b>Category of Land Use</b>  <u>Lot Nos. 3564 and 2939</u>            Tiada</p> <p><u>Lot Nos. PTD 71221, 71227, 71229 &amp; 71230</u>            Pertanian</p> <p><u>Lot Nos. PTD 71222, 71223, 71225 &amp; 71228</u>            Perusahaan/Perindustrian</p> <p><u>Lot Nos. PTD 71224 and 71226</u>            Bangunan</p> <p><b>Tenure</b>            Term in perpetuity</p> <p><b>Encumbrances</b>  <u>Lot No. PTD 71221</u>            No. Pers: 73053/2004 Pajakan Seluruh Tanah kepada Syarikat Reduan Maidin Sdn Bhd bagi tempoh masa selama 5 tahun mulai dari 1 Mei 2003 dan berakhir pada 30 April 2008 didaftarkan pada 7 Oktober 2004 jam 12:26:12 petang</p>	<p><b>Existing Use (cont'd)</b></p> <p>Average cost of production over the last five years is about RM116.65 per metric tonne.</p> <p>The extraction rate for year 2005 is 19.67% and 5.27% for palm oil and kernel.</p> <p><b>Planning Provisions</b>            Via a letter from Pejabat Tanah dan Galian Johor Ref.(26)d/m.PTG.9/95-193, the Kulai Young Estate (Main Division) was approved in principal for mixed development under the surrender and realienation process through the One-Stop Agency.</p> <p>This approval was dated 17 November 1997 and has since lapsed and is no longer valid.</p>	







**C H Williams Talhar & Wong**


C H Williams Talhar & Wong Sdn Bhd (18148-U)


Our Ref: 6374/06/LSH


Page 6

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>KULAI YOUNG ESTATE, JOHOR</b>            (Our Ref No. : DY/WTW/JB/310/2006 dated 21 July 2006)            [Date of Inspection / Valuation : 6 June 2006]</p> <p><b>Encumbrances (cont'd)</b></p> <p><u>Lot No. PTD 71227</u>            No. Pers: 57923/2005 Pajakan Sebahagian Tanah kepada Seng Hong Quarry Sdn Bhd bagi tempoh masa selama 5 tahun mulai dari 1 April 2005 dan berakhir pada 31 Mac 2010 didaftarkan pada 22 Ogos 2005 jam 02:49:53 petang</p> <p><u>Remaining Lots</u>            Nihil</p> <p><b>Express Conditions</b>  <u>Lot Nos. 3564 and 2939</u>            Tiada</p> <p><u>Lot Nos. PTD 71221, 71227, 71229 and 71230</u>            i) Tanah ini hendaklah ditanam dengan tanaman Getah/Kelapa Sawit/Dusun            ii) Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan</p>		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>KULAI YOUNG ESTATE, JOHOR</b> (Our Ref No. : DY/WTW/JB/310/2006 dated 21 July 2006) [Date of Inspection / Valuation : 6 June 2006]</p>	<p><b>Express Conditions (cont'd)</b></p> <p><u>Lot Nos. 71222, 71223 and 71228</u></p> <p>i) Tanah yang terkandung dalam hakmilik ini hendaklah digunakan semata-mata untuk mengeluarkan bahan Batu Pejal (bagi tujuan Perusahaan Kuari)</p> <p>ii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan/dibuang ke tempat-tempat yang telah ditentukan oleh Pihak berkuasa Berkenaan</p> <p>iii) Segala dasar dan syarat yang ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi</p>	
<p><u>Lot No. PTD 71224</u></p>	<p>i) Tanah yang terkandung dalam hakmilik ini hendaklah digunakan semata-mata untuk stor (tapak magazine), dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan</p> <p>ii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan/dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan</p> <p>iii) Segala dasar dan syarat yang ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi</p>	

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>KULAI YOUNG ESTATE, JOHOR</b> (Our Ref No. : DY/WTW/JB/310/2006 dated 21 July 2006) [Date of Inspection / Valuation : 6 June 2006]</p> <p><b>Express Conditions (cont'd)</b></p> <p><u>Lot No. PTD 71225</u></p> <ul style="list-style-type: none"> <li>i) Tanah yang terkandung di dalam hakmilik ini hendaklah digunakan semata-mata bagi mengambil tanah liat untuk dibuat bata bata dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang Berkenaan</li> <li>ii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan/dibuang ke tempat-tempat yang ditentukan oleh Pihak Berkuasa Berkenaan</li> <li>iii) Segala dasar dan syarat nyata yang telah ditetapkan dan dikuatkuasakan dari semasa dibuang ke tempat-tempat yang ditentukan oleh hendaklah dipatuhi</li> </ul> <p><u>Lot No. PTD 71226</u></p> <ul style="list-style-type: none"> <li>i) Tanah ini hendaklah digunakan untuk Pencawang Elektrik, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan</li> <li>ii) Segala dasar dan syarat yang ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi</li> </ul>		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>KULAI YOUNG ESTATE, JOHOR</b> (Our Ref No. : DY/WTW/JB/310/2006 dated 21 July 2006) [Date of Inspection / Valuation : 6 June 2006]</p> <p><b>Restrictions In Interest</b> <u>Lot Nos. PTD 71222, 71223 &amp; 71228</u> Tanah yang terkandung di dalam hakmilik ini tidak boleh dijual atau dipindahmilik dengan apa cara sekalipun kepada Bukan Warganegara/Syarikat Asing tanpa persetujuan Pihak Berkuasa Negeri</p> <p><u>Lot No. PTD 71225</u> Tanah yang terkandung dalam hakmilik ini tidak dibenarkan dipindahmilik dengan apa cara sekalipun melainkan bangunan kilang disyarat nyata telah dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Negeri yang berkenaan</p> <p><b>Endorsements</b> <u>Lot No. 3564</u> No. Pers: P1217/2002 Jil. 1296 Fol. 32 Pengambilan Sebahagian Tanah – Borang K seluas lebih kurang 5.48714 Ekar didaftarkan pada 16 Februari 2001 jam 08:00:00 pagi. (No. Rujukan Fati: PTG XXXVIII/65/99).</p> <p><u>Lot No. 2939</u> No. Pers: P1217/2002 Jil. 1296 Fol. 32 Pengambilan Sebahagian Tanah – Borang K seluas lebih kurang 28.26512 Ekar didaftarkan pada 16 Februari 2001 jam 08:00:00 pagi. (No. Rujukan Fati: PTG XXXVIII/65/99).</p>		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p>KULAI YOUNG ESTATE, JOHOR (Our Ref No. : DY/TW/JB/310/2006 dated 21 July 2006) [Date of Inspection / Valuation : 6 June 2006]</p> <p>Endorsements (cont'd)</p> <p><u>Lot No. PTD 71227</u> No. Pers: 2841/2006 Permohonan serahbaik, pemberian tanah semula tanah didaftarkan pada 2 Januari 2006</p> <p><u>Lot Nos. 3564 and PTD 71221 to 71230 (inclusive)</u> Variation of annual rents</p>		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>CHAMEK ESTATE, JOHOR</b> (Our Ref No. : DY/WTW/JB/311/2006 dated 21 July 2006) [Date of Inspection / Valuation : 9 June 2006]</p>		
<p><b>Lot Nos.</b> 181, 183 and 132, Mukim of Paloh Lot Nos. 72 and 266, Mukim of Nyior District of Kluang, Johor</p>	<p>The subject property is an oil palm estate known as Chamek Estate. It is located along the eastern side of the train tracks next to Kampung Chamek.</p>	<p><b>RM22,800,000/-</b> (Ringgit Malaysia: Twenty Two Million and Eight Hundred Thousand Only)</p>
<p><b>Title Nos.</b> GRN Nos. 90629, 90630, 89006, 96683 and 89011</p>	<p><b>Site</b> The subject site is made up of five (5) parcel of land viz; lots Nos 181, 183, 132, 72 and 266. The net titled land area is 816.8609 hectares.</p>	<p><b>Method of Valuation</b> Investment (Discounted Cash Flow) Method.</p>
<p><b>Location</b> Located along the eastern side of the train tracks next to Kampung Chamek.</p>	<p>The subject property is irregular in shape and is generally flat in terrain.</p>	<p>We have adopted capitalisation rate and discount rate at 9.5% and 5.5% respectively.</p>
<p><b>Titled Land Area</b> 832.5384</p>	<p><b>Buildings</b> Erected on the subject property are the garage &amp; workshop, water pump/engine shed, office, fertiliser cum sundry store, oil store &amp; chemical store, engine shed, power house, engine house, labour quarters, chreche, shop cum dispensary, community hall, temple, toddy shop, school, managers bungalow, staff bungalow and conductors bungalow.</p>	<p>Other Methods of Valuation are deemed not appropriate for this Valuation.</p>
<p><b>Net Titled Land Area</b> 816.8609 hectares</p>	<p><b>Road System</b> The estate is served by a network of motorable laterite roads.</p>	<p><b>Date of Valuation</b> 9 June 2006</p>
<p><b>Area Under Valuation</b> 816.8609 hectares</p>	<p><b>Existing Use</b> The subject property is planted with 802.8 hectares of oil palms. The palms were planted between 1983 to 2006.</p>	
<p><b>Registered Owner</b> SELANGOR COCONUTS BHD.</p>	<p>The palms are of DxP hybrids. The planting stand varies from 132 to 151 palms per hectare.</p>	
<p><b>Category of Land Use</b> Tiada</p>	<p>The yields recorded in 2005 range from 9.43 to 32.19 metric tonnes per hectare (on field by field basis)</p>	
<p><b>Tenure</b> Term in perpetuity</p>	<p>Average cost of production over the last five years is about RM134.77 per metric tonne.</p>	




**C H Williams Talhar & Wong**

C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref: 6374/06/LSH

Page 12

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>CHAMEK ESTATE, JOHOR</b> (Our Ref No. : DY/WTW/JB/311/2006 dated 21 July 2006) [Date of Inspection / Valuation : 9 June 2006]</p>		
<p><b>Encumbrances</b> Nil</p>	<p><b>Existing Use (cont'd)</b> The extraction rate for year 2005 is 19.66% and 5.27% for palm oil and kernel.</p>	
<p><b>Express Conditions</b> Tiada</p>	<p><b>Planning Provisions</b> Under the Draf Rancangan Tempatan Daerah Kluang 2020, the subject estate is zoned for agriculture.</p>	
<p><b>Restriction in Interest</b> Not Stated</p>		
<p><b>Endorsements</b> Lot No. 181 No. Pers: 106251/2006 Pengambilan Sebahagian Tanah – Borang K seluas lebih kurang 2.3507 hektar dan cukai dipinda kepada RM4,980.00 didaftarkan pada 5 Jun 2006 jam 12:13.49 petang. No. Warta: 1691 bertarikh 07 Julai 2005 (No. Rujukan Fail: PTG.XXXVIII/26/2005 &amp; PTDK(PBT)4/2004).</p>		
<p>Lot No. 183 No. Pers: 106247/2006 Pengambilan Sebahagian Tanah – Borang K seluas lebih kurang 5.8204 hektar dan cukai dipinda kepada RM945.00 didaftarkan pada 5 Jun 2006 jam 11:38:24 pagi. No. Warta: 1691 bertarikh 07 Julai 2005 (No. Rujukan Fail: PTG.XXXVIII/26/2005 &amp; PTDK(PBT)4/2004).</p>		
<p>Lot No. 72 No. Pers: 106249/2006 Pengambilan Sebahagian Tanah – Borang K seluas lebih kurang 3.5722 hektar dan cukai dipinda kepada RM44,925.00 didaftarkan pada 5 Jun 2006 jam 12:09:42 petang. No. Warta: 1691 bertarikh 07 Julai 2005 (No. Rujukan Fail: PTG.XXXVIII/26/2005 &amp; PTDK(PBT)4/2004).</p>		




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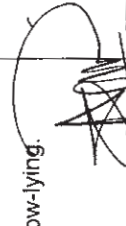
C H Williams Talhar & Wong Sdn Bhd (16149-U)


Our Ref: 6374/06/LSH

Page 13

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>CHAMEK ESTATE, JOHOR</b>            (Our Ref No. : DY/WTW/JB/311/2006 dated 21 July 2006)            [Date of Inspection / Valuation : 9 June 2006]</p> <p><b>Endorsements (cont'd)</b></p> <p>Lot No. 132            No. Pers: T06250/2006 Pengambilan Sebahagian Tanah - Borang K seluas lebih kurang 3.9342 hektar dan cukai dipinda kepada RM3,000.00 didaftarkan pada 5 Jun 2006 jam 12:12:18 petang. No. Warta: 1691 bertarikh 07 Julai 2005 (No. Rujukan Fall: PTG.XXXV/II/26/2005 &amp; PTDK(PBT)4/2004).</p> <p>Lot No. 266            Variation of annual rent vide Presentation No. 53049/2005 registered on 28 November 2005</p>		





PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>MALAYA ESTATE, SELAMA, PERAK</b> (Our Ref No. : BV06.1273/MS/rmn/sh dated 20 July 2006) [Date of Inspection / Valuation : 13 June 2006]</p> <p><b>Lot Nos.</b> 206, 206A, 207, 208, 209, 212, 213, 215, 267, 268, 463, 471, 507, 510, 544, 1365, 216, 556, 778, 779, 780, 781, 1275, 1369, 279, 282, 284, 285, 430, 431, 432, 474, 521, 542, 591, 594, 595, 596, 597, 720, 721, 722, 723, 750, 751, 875, 876, 877, 878, 898, 900, 901, 902, 903, 540, 649, 710, 717/718, 1241, 1245, 1267, 1425, 1544 and 1830, all in Mukim of Selama and Hulu Ijok, District of Selama, State of Perak.</p> <p><b>Title Nos.</b> GM 2959, GM 2799, GM 2972, GM 2953, GM 2801, GM 2954, GM 2955, GM 2802, GM 2820, GM 2811, GM 2977, GM 2980, GM 2788, GM 2785, GM 2809, GM 3474, Grant 45756, Grant 45755, Grant 26633, Grant 26634, Grant 26635, Grant 26636, Grant 50503, Grant 53441, GM 2960, GM 2964, GM 2961, GM 3437, GM 3438, GM 3537, GM 3473, GM 3536, GM 2808, GM 3529, GM 3533, GM 2708, GM 2300, GM 2713, GM 3580, GM 2858, GM 3055, GM 2853, GM 2855, GM 2857, GM 2856, GM 2318, GM 2315, GM 2319, GM 2316, GM 2672, GM 2673, GM 3041, GM 3042, GM 2676, GM 12539, Grant 45868, Grant 34608, Grant 9359, Grant 50976, Grant 50972, Grant 53068, Grant 54146, Grant 66385 and Grant 58736.</p>	<p>The subject property is an oil palm estate known as Malaya Estate which is located within the locality of Kubu Gajah, Selama, Perak.</p> <p><b>Site</b> The subject site is made up of sixty four (64) parcels of land with a total titled area of 923.4027 hectares. The deduced titled area after compulsory acquisition is 922.1477 hectares, whilst the estate area based on hectareage statement provided by the estate is 923 hectares.</p> <p>For the purpose of this valuation exercise, we have adopted 922.1477 hectares as the land area of the subject property.</p> <p>The estate is divided into twenty four (24) fields and further subdivided into two (2) divisions namely Home (Malaya) Division and Lumboh Kluang Division for management purposes.</p> <p>The Home (Malaya) Division comprises Field PM82A, PM82B, PM83A, PM83B, PM83C, PM83D, PM86A, PM86B, PM86C, PM87A, PM87B, PM87C, PM90A, PM91A, PM92A, PM92B, PM92C, PM93A, PM93B, PM93C and PM94A (21 fields) with total planted area of 516 hectares. However the deduced title area for this division is 500.38 hectares.</p> <p>The Lumboh Kluang Division comprises Field PM83E, PM84A and PM85A (3 fields) with total planted area of 211.9 hectares. Two (2) fields formerly known as PM 76 and PM 81 with a total land area of 118.8 hectares was under replanting process. The deduced title area for this division is 389.49 hectares.</p> <p>The estate is generally flat in terrain and only a small portion is low-lying.</p> 	<p><b>RM21,500,000/-</b> (Ringgit Malaysia : Twenty One Million And Five Hundred Thousand Only)</p> <p><b>Method of Valuation</b> Investment (Discounted Cash Flow) Method.</p> <p>We have adopted capitalisation rate and discount rate at 9.5% and 5.5% respectively.</p> <p><b>Date of Valuation</b> 13 June 2006</p>


PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE																												
<p><b>MALAYA ESTATE, SELAMA, PERAK</b> (Our Ref No. : BV06.1273/MS/rmn/sh dated 20 July 2006) [Date of Inspection / Valuation : 13 June 2006]</p>																														
<p><b>Situation</b> The subject property is located within the precinct of Kubu Gajah, Selama. It is situated in two (2) separate locality due to its two (2) separated divisions.  The Home (Malaya) Division is located along Jalan Selama/Kubu Gajah - Bukit Merah/Taiping approximately 5 kilometres to the south-east of Kubu Gajah village or approximately 17 kilometres to the south of Selama town.  The Lumboh Kluang Division is located within the locality of Kampung Lembah Keluang. It is situated off Jalan Selama/Kubu Gajah - Bagan Serai approximately 1.5 kilometres to the south-west of Kubu Gajah village or approximately 13 kilometres to the south of Selama town.</p> <p><b>Titled Land Area</b> 923.4027 hectares</p> <p><b>Net Titled Land Area</b> 922.1477 hectares</p> <p><b>Area Under Valuation</b> 922.1477 hectares</p>	<p><b>Buildings</b> Erected on the Malaya (Home) Division are manager's bungalow, chief clerk's bungalow, conductor's bungalow, senior conductor's bungalow, junior staff bungalow, office building, garage (store), crèche, general house/workshop, community hall, factory, worker's quarters and shophouse whilst erected on the Lumboh Kluang Division area conductor's bungalow, crèche, manure store cum office, dispensary and worker's quarters.</p> <p><b>Road System</b> The estate is served by a network of motorable gravelled and laterite roads.</p> <p><b>Existing Use</b> Malaya Estate is planted with 727.90 hectares of mature oil palms and another 118.80 hectares under replanting process. The palms were planted at different stages, as follows:-</p> <table border="1" data-bbox="893 940 1340 1433"> <thead> <tr> <th>Year of Planting</th> <th>Area (hectares)</th> </tr> </thead> <tbody> <tr><td>1982</td><td>47.30</td></tr> <tr><td>1983</td><td>110.40</td></tr> <tr><td>1984</td><td>81.80</td></tr> <tr><td>1985</td><td>63.80</td></tr> <tr><td>1986</td><td>74.40</td></tr> <tr><td>1987</td><td>74.60</td></tr> <tr><td>1990</td><td>28.00</td></tr> <tr><td>1991</td><td>45.60</td></tr> <tr><td>1992</td><td>69.80</td></tr> <tr><td>1993</td><td>100.60</td></tr> <tr><td>1994</td><td>31.60</td></tr> <tr><td><b>Replanting process</b></td><td><b>118.80</b></td></tr> <tr><td><b>Total</b></td><td><b>846.70</b></td></tr> </tbody> </table>	Year of Planting	Area (hectares)	1982	47.30	1983	110.40	1984	81.80	1985	63.80	1986	74.40	1987	74.60	1990	28.00	1991	45.60	1992	69.80	1993	100.60	1994	31.60	<b>Replanting process</b>	<b>118.80</b>	<b>Total</b>	<b>846.70</b>	
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<p><b>MALAYA ESTATE, SELAMA, PERAK</b>                      (Our Ref No. : BV06.1273/MS/rm/sh dated 20 July 2006)                      [Date of Inspection / Valuation : 13 June 2006]</p> <p><b>Registered Owners</b></p> <p><u>Lot No. 597</u>                      SELANGOR COCONUTS LIMITED</p> <p><u>Lot Nos. 591, 1544 and 1830</u>                      SELANGOR COCONUT BERHAD</p> <p><u>Lot Nos. 206, 207, 208, 212, 213, 463, 471, 1365, 279, 282, 284, 431, 432, 594, 596, 875, 876, 877, 878, 898, 900, 903</u>                      SELANGOR COCONUTS' BERHAD</p> <p><u>Remaining Lots</u>                      SELANGOR COCONUTS BERHAD</p> <p><b>Category of Land Use</b>                      Pertanian / Nil</p> <p><b>Tenure</b>                      Term In Perpetuity</p> <p><b>Encumbrances</b>  <u>Lot No. 170</u>                      Nombor Peralihan: 31269/1994 Jil. 21 Fol. 17                      Pajak Sebahagian Tanah kepada TENAGA NASIONAL BERHAD bagi tempoh masa selama 30 tahun mulai dari 15 November 1993 dan berakhir pada 14 November 2023 didaftarkan pada 6 Oktober 1994</p>	<p><b>Existing Use (cont'd)</b></p> <p>The palms are mainly of DXP hybrids of HRU and AA materials. The planting stand varies from 112 to 136 palms per hectare.</p> <p>The yield recorded in year 2005 range from 10.15 to 35.93 metric tonnes per hectare (on field by field basis).</p> <p>The extraction rate for the year 2005 is 17.67% and 4.69% for palm oil and palm kernel respectively.</p> <p><b>Planning Provisions</b>                      The subject land is designated for agricultural use.</p>	

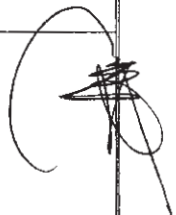
PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>MALAYA ESTATE, SELAMA, PERAK</b>            (Our Ref No. : BV06.1273/MS/mm/sh dated 20 July 2006)            [Date of inspection / Valuation : 13 June 2006]</p> <p><b>Endorsements</b></p> <p><u>Lot Nos 279, 282, 284, 285, 431, 432, 521, 720, 649 and 710</u></p> <p>Approximately 1.255 hectares (3.101 acres) of the estate has been compulsorily acquired</p> <p>All lots are subject to Pindaan Cukai Tanah.</p>		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BUKIT MERTAJAM ESTATE, KEDAH</b> (Our Ref No. : BV06.1260/MS/mz/sh dated 20 July 2006) [Date of inspection / Valuation : 12 June 2006]</p>	<p>The subject property is an oil palm estate known as Bukit Mertajam Estate. There are two (2) divisions within Bukit Mertajam Estate</p> <p><b>Site</b> The estate is divided into fifty (50) fields and is further subdivided into two (2) divisions namely Kelang Baru Division and Batu Puteh Division.</p> <p><u>Kelang Baru Division</u> It comprises thirty seven (37) lots of land viz Lot Nos. PTA, PTB, 15 to 20, 60, 71, 143, 147, 270, 274, 277, 318 to 320, 476, 478, 479, 481, 482, 621, 741, 742, 744, 749, 752, 858, 911, 1241, 1244, 1311, 1313, 1314 and 1316; forming the section of the subject property along the southern and northern side of the Kulim - Mahang main road.</p> <p>The Kelang Baru Division comprises Field PM 89C, PM 89D, PM 89E, PM 90B, PM 90C, PM 92A, PM 93A, PM 93B, PM 93C, PM 94A, PM 94F, PM 95A, PM 95B, PM 96A, PM 99A, PM 99B, PM 00A, PM 00B, PM 01A, PM 01B, PM 01C and PM 01D (22 fields) with total planted area of 914.90 hectares.</p> <p>As a whole, the subject property is irregular in shape.</p> <p><u>Batu Puteh Division</u> It comprises nine (9) lots of land viz Lot Nos. 3, 3 to 8, 55 and 467; forming the section of the subject property along the north and south side of Jalan Batu Puteh - Labu Besar/Karangan main road and east-west of Jalan Batu Puteh - Padang Meha main road.</p>	<p><b>RM100,400,000/-</b> (Ringgit Malaysia : One Hundred Million and Four Hundred Thousand Only)</p> <p><b>Method of Valuation</b> Investment (Discounted Cash Flow) Method and Comparison Method (for the portion with development potential).</p> <p>We have adopted capitalisation rate and discount rate at 9.5% and 5.5% respectively.</p> <p><b>Date of Valuation</b> 12 June 2006</p>
<p><b>Lot Nos.</b> Lot Nos. 3, 4, 55, 467, 911 and 1241, Town of Karangan, Lot No. 71, Town of Sungai Kob, Lot No. PT B, Lot Nos. 270, 274, 741, 742 And 749, Town of Kulim, Lot Nos. 5, 6, 7, 8, 60, 143, 318, 319, 320, 476, 478, 479, 481, 482, 621 and 1244, Mukim of Karangan and Lot No. PT A, Lot Nos. 15, 16, 17, 18, 19, 20, 147, 277, 744, 752, 858, 1311, 1313, 1314 and 1316, Mukim of Padang China, District of Kulim, Kedah Darul Aman</p> <p><b>Title Nos.</b> Grant 96862, HSD 47425, HSD 47426, Grant 96865, Grant 96868, GM 186, GM 187, GM 103, HSD 45254, GM 255, GM 256, GM 524, GM 525, GM 526, HSD 25/1972, HSD 26/1972, HSD 27/1992, HSD 28/1992, GM 834, GM 802, GM 318, GM 319, GM 864, GM 919, GM 921, GM 922, GM 923, GM 924, GM 738, Grant 109455, HSD 1/1980, GM 577, GM 580, GM 581, GM 582, GM 583, GM 584, GM 660, Grant 32397, Grant 12, Grant 744, Grant 5553, Grant 39036, Grant 39038, Grant 39039 and Grant 39040.</p> <p><b>Situation</b> The subject property is located within the precinct of Karangan, Kulim. It is situated in two (2) separate locality due to its two (2) separate divisions.</p>		


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<p><b>Situation (cont'd)</b></p> <p>The Kelang Baru Division is located along Kulim - Mahang main road. It is accessible from the Kulim town centre via Jalan Kelang Lama and thence onto Kulim - Mahang main road. The Kulim town is located approximately 14 kilometres due south-west of the westernmost boundary of the subject property whilst the Mahang town is approximately 22 kilometres due south-east of the easternmost boundary.</p> <p>The Batu Puteh Division is located within the locality of Kampung Batu Puteh. It is situated along Batu Puteh - Labu Besar/Karangan main road whilst the Kulim town is located approximately 17 kilometres due south-west of the subject property and the Labu Besar town is approximately 4 kilometres due east of the easternmost boundary.</p> <p><b>Titled Land Area</b> 2,244.6366 hectares</p> <p><b>Net Titled Land Area</b> 2,173.22 hectares</p> <p><b>Area Under Valuation</b> 2,173.22 hectares</p> <p><b>Registered Owner</b> SELANGOR COCONUT BERHAD</p>		

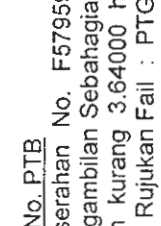
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<p><b>BUKIT MERTAJAM ESTATE, KEDAH</b> (Our Ref No. : BV06.1260/MS/mz/sh dated 20 July 2006) [Date of Inspection / Valuation : 12 June 2006]</p>	<p><b>Existing Use (cont'd)</b></p> <table border="1"> <thead> <tr> <th>Year of Planting</th> <th>Area (hectares)</th> </tr> </thead> <tbody> <tr><td>1987</td><td>31.0</td></tr> <tr><td>1989</td><td>217.0</td></tr> <tr><td>1990</td><td>205.1</td></tr> <tr><td>1991</td><td>170.1</td></tr> <tr><td>1992</td><td>177.6</td></tr> <tr><td>1993</td><td>223.2</td></tr> <tr><td>1994</td><td>209.8</td></tr> <tr><td>1995</td><td>206.7</td></tr> <tr><td>1996</td><td>103.7</td></tr> <tr><td>1999</td><td>101.5</td></tr> <tr><td>2000</td><td>133.2</td></tr> <tr><td>2001</td><td>230.7</td></tr> <tr><td>Nursery</td><td>29.0</td></tr> <tr><td>Buildings, Roads etc.</td><td>58.5</td></tr> <tr><td>TNB Rentice/Petronas Pipe Line</td><td>49.5</td></tr> <tr><td>Vacant/Swampy Area</td><td>19.5</td></tr> <tr><td><b>Total</b></td><td><b>2,166.1</b></td></tr> </tbody> </table> <p>The palms are mainly of DXP of HRU and AA materials.</p> <p>The yield recorded in year 2005 range from 21.20 to 47.07 metric tonnes per hectare (on field by field basis).</p> <p>The extraction rate for the year 2005 is 18.67% and 4.69% for palm kernel respectively.</p>	Year of Planting	Area (hectares)	1987	31.0	1989	217.0	1990	205.1	1991	170.1	1992	177.6	1993	223.2	1994	209.8	1995	206.7	1996	103.7	1999	101.5	2000	133.2	2001	230.7	Nursery	29.0	Buildings, Roads etc.	58.5	TNB Rentice/Petronas Pipe Line	49.5	Vacant/Swampy Area	19.5	<b>Total</b>	<b>2,166.1</b>	
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<p><b>Category of Land Use</b></p> <ul style="list-style-type: none"> <li>i) Pertanian/Kebun Getah</li> <li>ii) Pertanian/Kelapa Sawit</li> <li>iii) Pertanian/Dusun</li> <li>iv) Bangunan/Utk. Kem Masa Hadapan</li> </ul> <p><b>Tenure</b> Term In Perpetuity</p> <p><b>Encumbrances</b> Lot No. 1316 Persetahan No. 1933/1979 Jilid 3 Folio 90 Pajakan Sebahagian Tanah Kepada LEMBAGA LETRIK NEGARA TANAH MELAYU bagi tempoh masa selama 30 tahun mulai dari 1 Jun 1979 dan berakhir pada 31 Mei 2009 didaftarkan pada 8 September 1979.</p> <p><b>Remaining Lots</b> Nil</p>																																						


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<p><b>BUKIT MERTAJAM ESTATE, KEDAH</b>            (Our Ref No. : BV06.1260/MS/mz/sh dated 20 July 2006)            [Date of Inspection / Valuation : 12 June 2006]</p> <p><b>Restrictions-In-Interest</b>  <u>Kelang Baru Division</u>  <u>Lot No. 143</u>            Jika pada mana-mana masa didapati dengan puas hati state council mana-mana orang bukan melayu ada mempunyai faedah dalam tanah yang tuannya seorang melayu iaitu Tanah Simpanan bagi orang melayu lain daripada yang bersangkutan dengan pajak yang diberi di bawah undang-undang ini atau lain daripada gadaian yang telah di Register maka haknya di dalam tanah ini akan dibatalkan oleh State Council.</p> <p><u>Lot Nos. 476, 479, 481 and 482</u>            Jika pada mana-mana masa didapati dengan puas hati State Council mana-mana orang bukan melayu ada mempunyai faedah di dalam tanah yang tuannya seorang melayu itu tanah simpanan bagi orang melayu lain yang bersangkutan dalam pajak yang diberi di bawah undang-undang ini atau lain daripada gadaian yang telah di register, maka haknya di dalam tanah ini akan dibatalkan oleh State Council.</p>	<p><b>Planning Provisions</b>            The subject property is zoned for agricultural use.</p>	








PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BUKIT MERTAJAM ESTATE, KEDAH</b> (Our Ref No. : BV06.1260/MS/mz/sh dated 20 July 2006) [Date of Inspection / Valuation : 12 June 2006]</p> <p><b>Restrictions-In-Interest (cont'd)</b></p> <p><u>Lot No. 478</u> Jika pada mana-mana masa didapati dengan puas hati state council mana-mana orang bukan melayu ada mempunyai faedah di dalam tanah yang tuannya seorang melayu itu tanah simpanan bagi orang melayu lain yang bersangkutan dalam pajak yang diberi di bawah undang-undang ini atau lain daripada gadaian yang telah di register, maka haknya didalam tanah itu akan dibatalkan oleh state council.</p> <p><u>Lot No. 1311</u> Ditegah tuan tanah membuat sebarang perkiraan (dealings) di atas tanah yang hendak dimajukan sebagai tapak perumahan itu melainkan tuan tanah bina dan peliharaan simpanan jalan itu dan taruh batu dan tar menurut taraf Jabatan Kerja Raya serta perbuat parit-parit dengan sepuas hati Penguasa Tempatan serta mendapat sokongan daripada Jabatan Kerja Raya atau ada jaminan daripada Penguasa Tempatan dan Jabatan Kerja Raya bahawa jalan-jalan dan parit-parit itu dapat disempurnakan.</p> <p><b>Endorsements</b> <u>Lot No. PTA</u> Perserahan No. F57951/1998 Jilid 16 Folio 67 Pengambilan Sebahagian Tanah - Borang K seluas lebih kurang 53.65997 hektar pada 21 Mei 1996. (No. Rujukan Fail : PTG(KED)L 72/94).</p>		


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<p><u>Lot No. 752</u> Perserahan No. 6419/2004 Pengambilan Sebahagian Tanah - Borang K seluas lebih kurang 0.4225 hektar pada 25 Mei 2004. No Warta : 93 bertarikh 1 Mac 2001.</p>		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BUKIT MERTAJAM ESTATE, KEDAH</b> (Our Ref No. : BV06.1260/MS/mz/sh dated 20 July 2006) [Date of Inspection / Valuation : 12 June 2006]</p>	<p><b>Endorsements (cont'd)</b></p> <p><u>Lot No. 858</u> Perserahan No. F00120/1998 Jilid 16 Folio 52 Penggambilan Sebahagian Tanah - Borang K seluas lebih kurang 0.74867 hektar pada 5 Mac 1996. (No. Rujukan Fail : PTG(KED)L : 111/84).</p> <p><u>Lot No. 1313</u> Perserahan No. 6419/2004 Pengambilan Sebahagian Tanah - Borang K seluas lebih kurang 0.0668 hektar pada 25 Mei 2004. No Warta : 93 bertarikh 1 Mac 2001. (No. Rujukan Fail : PTG(K)L : 7/2000(24)).</p> <p><u>Lot No. 1314</u> Perserahan No. 10539/2000 Pengambilan Sebahagian Tanah - Borang K seluas lebih kurang 0.7960173 hektar dan cukai dipinda kepada RM2,139.00 didaftarkan pada 12 Julai 2000. No Warta : 1 bertarikh 12 Julai 2000. (No. Rujukan Fail : PTG(K)L/2/2000 SF. 2).</p> <p><u>Lot No. 1316</u> Perserahan No. 6419/2004 Pengambilan Sebahagian Tanah - Borang K seluas lebih kurang 0.0326 hektar pada 25 Mei 2004. No Warta : 93 bertarikh 1 Mac 2001. (No. Rujukan Fail : PTG(K)L : 7/2000 (24)).</p>	

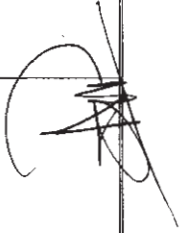
PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BUKIT MERTAJAMESTATE, KEDAH</b> (Our Ref No. : BV06.1260/MS/mz/sh dated 20 July 2006) [Date of Inspection / Valuation : 12 June 2006]</p>	<p><b>Other Endorsements</b></p> <p><u>Kelang Baru Division</u> <u>Lot No. PTA</u> Perserahan No. 24072/2005 Kelulusan pengurangan/pindaan cukai didaftarkan pada 11 Disember 2005.</p> <p><u>Lot No. 15</u> i) Perserahan No. F28238/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994. ii) Perserahan No. 5904/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 29 April 2005.</p> <p><u>Lot No. 16</u> i) Perserahan No. F28241/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994. ii) Perserahan No. 5907/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 29 April 2005.</p> <p><u>Lot No. 17</u> i) Perserahan No. F28242/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994. ii) Perserahan No. 5908/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 29 April 2005.</p> 	

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BUKIT MERTAJAM ESTATE, KEDAH</b> (Our Ref No. : BV06.1260/MS/mz/sh dated 20 July 2006) [Date of inspection / Valuation : 12 June 2006]</p> <p><b>Other Endorsements (cont'd)</b></p> <p><u>Lot No. 18</u> i) Perserahan No. F28243/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994. ii) Perserahan No. 5909/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 29 April 2005.</p> <p><u>Lot No. 19</u> i) Perserahan No. F28244/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994. ii) Perserahan No. 5910/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 29 April 2005.</p> <p><u>Lot No. 20</u> i) Perserahan No. F28245/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994. ii) Perserahan No. 5911/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 29 April 2005.</p> <p><u>Lot No. 60</u> Perserahan No. F5721/2005 Kelulusan pengurangan/pindaan cukai didaftarkan pada 29 April 2005.</p>		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BUKIT MERTAJAM ESTATE, KEDAH</b> (Our Ref No. : BV06.1260/MS/mz/sh dated 20 July 2006) [Date of Inspection / Valuation : 12 June 2006]</p>		
<p><b>Other Endorsements (cont'd)</b></p> <p><u>Lot No. 143</u> i) Perserahan No. F33230/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994. ii) Perserahan No. 4868/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 26 April 2005.</p>		
<p><u>Lot No. 147</u> i) Perserahan No. F28190/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994. ii) Perserahan No. 9644/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 15 Ogos 2005.</p>		
<p><u>Lot No. 270</u> Perserahan No. F28317/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994.</p>		
<p><u>Lot No. 274</u> Perserahan No. F28318/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994.</p>		
<p><u>Lot No. 277</u> Perserahan No. 24082/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 11 Disember 2005.</p> <p><u>Lot No. 318</u> Perserahan No. 1556/2005 Kelulusan pengurangan/pindaan cukai didaftarkan pada 18 April 2005.</p>		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BUKIT MERTAJAM ESTATE, KEDAH</b>            (Our Ref No. : BV06.1260/MS/mz/sh dated 20 July 2006)            [Date of Inspection / Valuation : 12 June 2006]</p>	<p>Other Endorsements (cont'd)</p> <p><u>Lot No. 319</u>            Perserahan No. 1558/2005 Kelulusan pengurangan/pindaan cukai didaftarkan pada 18 April 2005.</p> <p><u>Lot No. 320</u>            Perserahan No. 1560/2005 Kelulusan pengurangan/pindaan cukai didaftarkan pada 18 April 2005.</p> <p><u>Lot No. 476</u>            i) Perserahan No. F35916/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994.            ii) Perserahan No. 1742/2004 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 6 Disember 2004.</p> <p><u>Lot No. 478</u>            i) Perserahan No. F33391/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994.            ii) Perserahan No. 1745/2004 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 6 Disember 2004.</p> <p><u>Lot No. 479</u>            i) Perserahan No. F33392/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994.            ii) Perserahan No. 1746/2004 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 6 Disember 2004.</p>	
		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BUKIT MERTAJAM ESTATE, KEDAH</b> (Our Ref No. : BV06.1260/MS/mz/sh dated 20 July 2006) [Date of Inspection / Valuation : 12 June 2006]</p>	<p>Other Endorsements (cont'd)</p> <p><u>Lot No. 481</u></p> <p>i) Perserahan No. F33393/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994. ii) Perserahan No. 1747/2004 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 6 Disember 2004.</p> <p><u>Lot No. 482</u></p> <p>i) Perserahan No. F33394/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994. ii) Perserahan No. 1748/2004 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 6 Disember 2004.</p> <p><u>Lot No. 621</u></p> <p>i) Perserahan No. F32259/1998 Pengisytiharan Tanah Desa didaftarkan pada 4 April 1933. ii) Perserahan No. 3161/2004 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 14 Disember 2004. iii) Perserahan No. 306/2005 Pembetulan di bawah Seksyen 380 KTN. No. Buku Didaftarkan pada 25 Julai 2005.</p> <p><u>Lot No. 741</u></p> <p>Perserahan No. F25959/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994.</p>	









**C H Williams Talhar & Wong**

C H Williams Talhar & Wong Sdn Bhd (18148-U)

Our Ref: 6374/06/LSH  
Page 30

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BUKIT MERTAJAM ESTATE, KEDAH</b> (Our Ref No. : BV06.1260/MS/mz/sh dated 20 July 2006) [Date of Inspection / Valuation : 12 June 2006]</p>	<p><b>Other Endorsements (cont'd)</b></p> <p><u>Lot No. 744</u> i) Perserahan No. F02876/1998 Pengisytiharan Tanah Bandar didaftarkan pada 1 Januari 1994. ii) Perserahan No. 24339/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 11 Disember 2005.</p> <p><u>Lot No. 752</u> i) Perserahan No. F23684/1998 Pengisytiharan Tanah Bandar didaftarkan pada 4 April 1933. ii) Perserahan No. 24339/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 11 Disember 2005.</p> <p><u>Lot No. 856</u> i) Perserahan No. F00134/1998 Pengisytiharan Tanah Bandar didaftarkan pada 1 Januari 1994. ii) Perserahan No. 24340/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 11 Disember 2005.</p> <p><u>Lot No. 911</u> Perserahan No. F32034/1998 Pengisytiharan Tanah Desa didaftarkan pada 1 Januari 1994</p> <p><u>Lot No. 1311</u> Perserahan No. 24010/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 8 Disember 2005.</p>	
		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BUKIT MERTAJAM ESTATE, KEDAH</b>            (Our Ref No. : BV06.1260/MS/mz/sh dated 20 July 2006)            [Date of Inspection / Valuation : 12 June 2006]</p>		
<p><b>Other Endorsements (cont'd)</b>   <u>Lot No. 1313</u>            Perserahan No. 24010/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 8 Disember 2005.</p>		
<p><u>Lot No. 1314</u>            Perserahan No. 24010/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 8 Disember 2005.</p>		
<p><u>Lot No. 1316</u>            Perserahan No. 24010/2005 Kelulusan pengurangan/ pindaan cukai didaftarkan pada 8 Disember 2005.</p>		
<p><b>Batu Puteh Division</b>  <u>Lot No. 5</u>            Perserahan No. F46778/1998 Pengisytiharan Tanah Bandar didaftarkan pada 1 Januari 1994.</p>		
<p><u>Lot Nos. 3, 3, 4, 55, 5, 6, 7, 8, 1241, 60, 143, 476, 478, 479, 481, 482, 621, 1244</u>  <b>PENGISYTIHARAN REZAB MELAYU</b></p>		



**C H Williams Talhar & Wong**

C H Williams Talhar & Wong Sdn Bhd (19149-U)

Our Ref: 6374/06/LSH

Page 32

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BATU PEKAKA ESTATE, KEDAH</b> (Our Ref No. : 1113/KV/06/FA dated 21 July 2006) [Date of Inspection / Valuation : 6 June 2006]</p> <p><b>Lot Nos.</b> 7371 to 7373, 246, 86, 239 and 242, Mukim of Tawar, Lot Nos. 1617 and 2568 Town of Kuala Ketil, District of Baling, Kedah</p> <p><b>Title Nos.</b> GRN 55606, GRN 55604, GRN 55605, GRN 35375, GM 373, GM 512, GRN 36094, GRN 36095 and GM 1974 respectively</p> <p><b>Location</b> Along Sungai Petani/Baling main road, about 18 kilometres from Sungai Petani town</p> <p><b>Titled Land Area</b> 968.7347 hectares</p> <p><b>Area Under Valuation</b> 968.7347 hectares</p> <p><b>Registered Owners</b> <u>Lot Nos. 7371 to 7373, 246, 1617 &amp; 2568</u> SELANGOR COCONUTS BERHAD</p> <p><u>Lot Nos. 86, 239 &amp; 242</u> BOUSTEAD PROPERTIES BERHAD</p> <p><b>Category of Land Use</b> <u>Lot Nos. 7371 to 7373, 246, 86, 239 &amp; 242</u> Pertanian <u>Lot Nos. 1617 &amp; 2568</u> Not stated</p>	<p>The subject property is an oil palm estate known as Batu Pekaka Estate, Kedah</p> <p><b>Site</b> The subject site is made up of nine parcels of land viz: 7371 to 7373, 246, 86, 239, 242, 1617 and 2568 with a total titled area of 968.7347 hectares.</p> <p>Ladang Batu Pekaka is divided into 28 blocks of oil palm plantation. The land area of Ladang Batu Pekaka based on the hectare statement provided by the estate is 974.1 hectares.</p> <p>The subject property is irregular in shape and generally gently undulating in terrain.</p> <p><b>Buildings</b> Erected on Ladang Batu Pekaka are the manager's bungalow, assistant manager's bungalow, staff quarters, worker's quarters, office c/w dispensary &amp; security room, workshop c/w general store, fertiliser store and garage.</p> <p><b>Road System</b> The estate is served by a network of motorable gravelled and laterite roads.</p> <p><b>Existing Use</b> At the date of inspection, the subject property is planted with 899.4 hectares of mature oil palms. The palms were planted between 1982 to 2002.</p> <p>The palms are mainly of DXP AAR, DXP Felda, DXP HRU and DXP CH materials. The planting stand varies from 128 to 148 palms per hectare.</p> <p>The yields recorded in year 2005 range from 1.16 to 28.93 metric tonnes per hectare (on block by block basis)</p>	<p><b>RM40,000,000/-</b> (Ringgit Malaysia : Forty Million Only)</p> <p><b>Method of Valuation</b> Investment (Discounted Cash Flow) Method and Comparison Method (for the portion with development potential).</p> <p>We have adopted capitalisation rate and discount rate at 9.5% and 5.5% respectively.</p> <p><b>Date of Valuation</b> 6 June 2006</p>



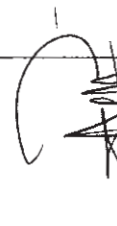
**C H Williams Talhar & Wong**


C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref: 6374/06/LSH


Page 33

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BATU PEKAKA ESTATE, KEDAH</b>            (Our Ref No. : 1113/KV/06/FA dated 21 July 2006)            [Date of Inspection / Valuation : 6 June 2006]</p> <p><b>Tenure</b> Term in Perpetuity</p> <p><b>Encumbrances</b> Lot Nos. 7371 and 7373 Part of land leased to Lembaga Elektrik Negara Tanah Melayu vide No. Per. 1223/1972, Jld. 3, Fol. 31 dated 24/12/1972 for 30 years expiring on 31/10/2002.</p> <p><b>Others</b> Nil</p> <p><b>Express Conditions</b> <u>Lot Nos. 7371 to 7373, 246, 1617, 2568 &amp; 242</u> Kebun Getah <u>Lot Nos. 86 &amp; 239</u> Not stated</p> <p><u>Lot No. 7372</u> Tiada boleh diikat atau tiada boleh ada diatas tanah ini apa-apa bangunan yang lain daripada bangunan yang berkenaan dengan tanaman getah.</p> <p>Ditegah daripada menanamkan pokok-pokok atau mengusahakan atau membiarkan tumbuh di atas tanah ini melainkan benda-benda "materials" daripada jenis (Hevea Brasiliensis) (atau lain-lain pokok yang mengeluarkan getah) yang dibenarkan oleh Kepala Pengerjaan Tanaman.</p>	<p><b>Existing Use (cont'd)</b></p> <p>The extraction rate for the month of June 2006 is 17.76% and 4.30% for palm oil and palm kernel respectively.</p> <p><b>Planning Provisions</b> The subject property is zoned for residential use.</p>	


PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BATU PEKAKA ESTATE, KEDAH</b>            (Our Ref No. : 1113/KV/06/FA dated 21 July 2006)            [Date of Inspection / Valuation : 6 June 2006]</p> <p><b>Express Conditions (cont'd)</b></p> <p><u>Lot No. 2568</u>            Tidak boleh didirikan atau dibangunkan sebarang kilang atau apa-apa jenis factory diatas tanah ini melainkan dengan surat kebenaran daripada Kepala Pekerjaan Tanah.</p> <p>Hendaklah ditanam dengan anak-anak getah yang dibeli daripada kerajaan atau pokok-pokok getah yang adasedia itu hendaklah dikahwinkan dengan benda-benda (materials) yang dibeli daripada kerajaan atau ditanamkan diatas tanah ini dengan biji-biji yang dibeli daripada kerajaan.</p> <p>Maka syarat surat keterangan ini tiada boleh ditanamkan pokok-pokok ubi kayu diatas tanah ini.</p> <p>Tiada boleh diikat atau dibina apa-apa bangunan lain daripada bangunan yang berkenaan dengan tanaman getah.</p> <p>Ditegah daripada menanamkan pokok-pokok atau mengusahakan atau membiarkan tumbuh di atas tanah ini melainkan benda-benda "materials" daripada jenis chevea (brasiliensis) (atau lain-lain pokok yang mengeluarkan getah) yang dibenarkan oleh kepala pekerjaan tanaman.</p>		


PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>BATU PEKAKA ESTATE, KEDAH</b> (Our Ref No. : 1113/KV/06/FA dated 21 July 2006) [Date of Inspection / Valuation : 6 June 2006]</p> <p><b>Restrictions In Interest</b> <u>Lot No. 7373</u> Nil <u>Others</u> Not stated</p> <p><b>Other Endorsements</b>  <u>Lot Nos. 7371 to 7373, 246, 86, 239 and 242</u> Kelulusan pengurangan /pindaan cukai</p> <p><u>Lot No. 242</u> Malay Reservation</p>		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>TELOK SENGAT ESTATE, JOHOR</b> (Our Ref No. : DY/WTW/JB/313/2006/GBG dated 21 July 2006) [Date of Inspection / Valuation : 8 June 2006]</p> <p><b>Lot Nos.</b> 2, 7, 61, 62, 63, 77, 83, 84, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 106, 113, 114, 115, 117, 121, 125, 126, 127, 196, 229, 230, 231, 263, 269, 321, 326, 336, 337, 345, 346, 396, 402, 415, 431, 434, 460, 462, 463, 464, 465, 675, 706, 776, 832, 865, 866, 875, 885, 972, 1011, 1051, 1185, 1291, 1292, 1293, 1333 and 1357, Mukim of Johor Lama, District of Kota Tinggi, Johor</p> <p><b>Title Nos.</b> Grant 11325, Grant 197, GRN 120697, GRN 86131, GRN 84186, GM 258, GM 8, GM 9, GM 139, GRN 83013, GM 137, GM 136, GM 135, GM 134, GM 140, GM 141, GM 133, GM 132, GM 127, GM 131, GM 130, GM 129, GM 128, GRN 94120, Grant 6129, Grant 6453, Grant 6817, GRN 120090, Grant 17199, Grant 17233, Grant 17234, Grant 6439, Grant 6455, Grant 2992, Grant 6448, Grant 6131, GRN 83681, GRN 91432, GRN 91433, Grant 64, Grant 53, GRN 82699, GM 138, Grant 18812, Grant 164, Grant 149, Grant 134, Grant 186, Grant 198, Grant 277, Grant 7190, GRN 101880, Grant 6818, GRN 101546, Grant 6819, Grant 8066, Grant 7815, Grant 9879, Grant 1089, Grant 9294, GRN 83565, GRN 25741, GRN 25899, GRN 25900, GRN 83328 and GRN 83578 respectively</p>	<p>The subject property is an oil palm estate known as Telok Sengat Estate. It is located along both sides of the metalled road leading to Telok Sengat Village, about 28.8 kilometres south-east of Kota Tinggi town.</p> <p><b>Site</b> The subject site is made up of sixty six (66) parcels of land with a nett total titled land area of 3,712.5547 hectares. However, the land area under valuation is 3,693.3197 hectares after deducting an area of 19.235 hectares for the oil mill and its ancillary users which is valued separately under the same valuation exercise.</p> <p>Telok Sengat Estate is divided into two (2) divisions viz; Guntong/Nanyo Division and Telok Sengat Division. It is further subdivided into sixty nine (69) oil palm fields/blocks for management purposes. The land area of Telok Sengat Estate based on the hectareage statement provided by the estate is 3,693.24 hectares excluding the oil mill site and its ancillary users.</p> <p>The metalled road to Telok Sengat Village traverses through the subject property for a distance of about 5.8 kilometres and divided it into two (2) unequal sections. The smaller section is located to the south whilst the larger section is located to the north.</p> <p>As a whole, the subject property is irregular in shape.</p> <p>The estate has a variable terrain generally ranging from flat to undulating.</p> <p><b>Buildings</b> Erected on Telok Sengat Estate are the office/store/dispensary, Guntong/Nanyo division office, senior manager's bungalow, guest house, assistant manager's bungalows, staff quarters, workers' quarters and other facilities buildings.</p>	<p><b>RM143,500,000/-</b> (Ringgit Malaysia : One Hundred And Forty Three Million And Five Hundred Thousand Only)</p> <p><b>Method of Valuation</b> Investment (Discounted Cash Flow) Method and Comparison Method (for portion with development potential).</p> <p>We have adopted capitalisation rate and discount rate at 9.5% and 5.5% respectively.</p> <p><b>Date of Valuation</b> 8 June 2006</p>


PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>TELOK SENGAT ESTATE, JOHOR</b> (Our Ref No. : DYWTW/JB/313/2006/GBG dated 21 July 2006) [Date of Inspection / Valuation : 8 June 2006]</p>	<p><b>Road System</b> The estate is served by a network of motorable gravelled and laterite roads. Generally, the roads are aligned following land contours and are overall in fair condition.</p> <p><b>Existing Use</b> The estate is planted with oil palm over an area of 3,513.30 hectares and coconut of 25.30 hectares. The remaining 154.64 hectares are under nursery, TNB rentice, roads, buildings, plantable reserve and unplatable/swamp area.</p> <p>Out of the 3,513.30 hectares oil palm area, about 88.59% or 3,112.50 hectares are mature oil palms planted between 1984 and 2003 whilst the remainder 11.41% or 400.80 hectares are immature oil palms planted in 2004 and 2005. The coconut trees are planted in 1981.</p> <p>The oil palms are DXP hybrids of HRU, Guthrie, Chemara, Felda, AAR and Ramet materials. The coconuts are Mawa material. The planting stand varies from 125 to 149 palms per hectare for the oil palm cultivation.</p> <p>The yields recorded in year 2005 range from 4.03 to 30.92 metric tonnes per hectare (on field by field basis).</p> <p>Average cost of production over the last five years is approximately RM104.69 per metric tonne.</p> <p>The extraction rate for the year 2005 is 19.70% and 5.26% for palm oil and palm kernel respectively.</p> 	
<p><b>Location</b> About 800 metres to the south of the 28<sup>th</sup> kilometrepost Kota Tinggi-Pengerang main road along the metalled road leading to Telok Sengat Village</p>		
<p><b>Titled Land Area</b> 3,712.5547 hectares</p>		
<p><b>Area Under Valuation</b> 3,693.3197 hectares</p>		
<p><b>Registered Owners</b> <u>Lot Nos. 77, 83, 84, 125, 269, 434, 675, 866 and 1292</u> HEAH JOO SEANG RUBBER ESTATES SDN BERHAD</p>		
<p><u>The Remaining 57 Lots</u> HEAH JOO SEANG RUBBER ESTATES LIMITED</p>		
<p><b>Category of Land Use</b> <u>Lot Nos. 77, 83, 84, 95, 97-104, 106, 113-115, 117 and 431</u> Agriculture</p>		
<p><u>Lot Nos. 61-63, 96, 121, 196, 337, 345, 346, 415, 776, 865, 1185, 1293, 1333 &amp; 1357</u> Nil</p>		
<p><u>The Remaining Lots</u> Not stated</p>		





PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>TELOK SENGAT ESTATE, JOHOR</b> (Our Ref No. : DY/WTW/JB/313/2006/GBG dated 21 July 2006) [Date of Inspection / Valuation : 8 June 2006]</p> <p><b>Tenure</b> Term in perpetuity</p> <p><b>Encumbrances</b> Nil</p> <p><b>Express Conditions</b> <u>Lot Nos. 77, 83, 84, 95, 97-104, 106, 113-115, 117 and 431</u> i) Tanah ini hendaklah ditanam dengan tanaman Getah. ii) Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</p> <p><u>Lot No. 434</u> The cultivation of rubber, African oil palm, tapioca and pineapple is prohibited.</p> <p><u>Lot No. 460</u> This grant is subject to the condition that the grantee shall, within five year from the date hereof, bring into cultivation not less than one quarter of the total area comprised therein.</p> <p><u>Lot Nos. 706, 875 and 885</u> For rubber cultivation and other forms of agriculture to be approved by the Commissioner of Lands and Mines.</p>	<p><b>Planning Provisions</b> Our verbal enquiries made at the Johor State Town and Country Planning Department revealed that the subject property is not under any specific zoning.</p> <p><b>Note:</b> Lot Nos. 77, 83, 84, 95, 97 to 104, 106, 113 to 115, 117 and 431 are subject to the express condition for rubber cultivation; Lot Nos. 706, 875 and 885 are subject to rubber cultivation and other forms of agriculture to be approved by the Commissioner of Lands and Mines and Lot No. 434 is prohibited from amongst other cultivation of African oil palm. We have been informed that the owner is in the process of applying for variation of express condition for the aforesaid land to oil palm cultivation.</p> <p><b>In this valuation, we have been instructed to value the above land based on assumption that they have been converted for oil palm cultivation.</b></p>	


PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>TELOK SENGAT ESTATE, JOHOR</b>            (Our Ref No. : DY/WTW/JB/313/2006/GBG dated 21 July 2006)            [Date of Inspection / Valuation : 8 June 2006]</p> <p><b>Express Conditions (cont'd)</b></p> <p><u>Lot Nos. 61-63, 96, 121, 196, 337, 345, 346, 415, 776, 865, 1185, 1291-1293, 1333 &amp; 1357</u>            Nil</p> <p><u>The Remaining Lots</u>            Not stated</p> <p><b>Restriction in Interest</b>            Nil</p> <p><b>Acquisition</b>            Part of Lot Nos. 63, 104, 346, 396, 1291, 1292 and 1293 were involved in various acquisitions. The total titled land area of 3,712.5547 hectares is the net land area after deducting the various areas acquired.</p> <p><b>Other Endorsements</b>            Endorsements for variation of annual rent affecting Lot Nos. 62, 63, 77, 83, 84, 95 to 104, 106, 113 to 115, 117, 121, 415, 431, 776, 865, 1185, 1333 and 1357.</p> <p>Titles for Lot Nos. 127, 832 and 866 are in the process of being replaced with computerised titles GRN 120733, GRN 120734 and GRN 82894 respectively.</p> <p><b>Presentation Pending Registration</b>            Lot No. 1357 – No. Perserahan : 2095/2005 Hak Laluan Elektrik diserahkan pada 3 Mei 2005</p>		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>LEPAN KABU ESTATE, KELANTAN</b> (Our Ref No.: WTW/KBI/4154/2006/MKM dated 21 July 2006) [Date of Inspection / Valuation : 12 July 2006]</p>		
<p><b>Lot Nos.</b> 1, 4, 5, 298, 302 and 691, Mukim of Kuala Pahi, 97, 735, 1483, 1484 and 1541, Mukim of Manek Urai, District of Kuala Krai, Kelantan</p>	<p>The subject property is an oil palm estate known as Lapan Kabu Estate.</p> <p><b>Site</b> The subject site is made up of eleven parcels of land with a nett total titled area of 2,044.228 hectares.</p>	<p><b>RM70,000,000/-</b> (Ringgit Malaysia : Seventy Million Only)</p>
<p><b>Title Nos.</b> GRN 19851, GM 70, GM 71, GRN 22288, GRN 19853, GRN 22291, GRN 17008, GRN 17721, GRN 24755, GRN 24756 and GRN 24549 respectively</p>	<p>Lapan Kabu Estate is divided into forty five (45) fields. The land area of Lapan Kabu Estate based on the hectareage statement provided by the estate is 1,985.4 hectares.</p> <p>Another 39.6 hectares are under nursery, teak wood, buildings, roads etc.</p> <p>The subject property is irregular in shape and generally undulating and hilly in terrain.</p>	<p><b>Method of Valuation</b> Investment (Discounted Cash Flow) Method.</p> <p>We have adopted capitalisation rate and discount rate at 9.5% and 5.5% respectively.</p>
<p><b>Location</b> At the 75<sup>th</sup> kilometrepost Kota Bharu / Gua Musang main road known as Kg Pahi, Kuala Krai, Kelantan.</p>	<p><b>Buildings</b> Erected on Lapan Kabu Estate are the manager's bungalow, assistant manager's bungalows, cadet house, staff quarters, workers' quarters, main office, field division office, stores and workshop. There are also a number of other facilities buildings.</p>	<p>Other Methods of Valuation are deemed not appropriate for this valuation.</p>
<p><b>Titled Land Area</b> 2,060.2588 hectares</p>		<p><b>Date of Valuation</b> 12 July 2006</p>
<p><b>Net Titled Land Area</b> 2,044.228 hectares</p>	<p><b>Road System</b> The estate is served by a network of motorable gravelled and laterite roads while some part of the estate is served by metalled roads.</p>	
<p><b>Area Under Valuation</b> 2,036.229 hectares</p>	<p><b>Existing Use</b> At the date of inspection, the subject property is planted with 1,796.3 hectares of mature oil palms and another 189.1 hectares under immature palms. The palms were planted between 1984 to 2005.</p>	
<p><b>Registered Owners</b> <u>Lot Nos. 4 &amp; 5</u> THE KUALA SIDIM RUBBER COMPANY BERHAD</p> <p>The Remaining Lots MALAKOFF BERHAD</p>	<p>The palms are mainly of DxP hybrids of HRU, HC, HC/CH, AAR and feida materials. The planting stand varies from 129 to 147 palms per hectare.</p>	

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>LEPAN KABU ESTATE, KELANTAN</b>            (Our Ref No. : WTW/KB/4154/2006/MKM dated 21 July 2006)            [Date of Inspection / Valuation : 12 July 2006]</p> <p><b>Beneficial Owner</b>            THE KUALA SIDIM RUBBER COMPANY            BERHAD</p> <p><b>Category of Land Use</b>            Nil</p> <p><b>Tenure</b>            Term in perpetuity</p> <p><b>Encumbrances</b>            For Lot No. 691</p> <p>Pajakan Sebahagian Tanah kepada National Union of Plantation Workers sebahagian 3 ekar bagi tempoh selama 30 tahun mulai 1 Januari 1974 dan berakhir pada 31 Disember 2003 didaftarkan pada 5 April 1975.</p> <p>All other lots            Nil</p> <p><b>Express Conditions</b>            For Lot Nos. 1, 1483 and 1484            Not stated</p> <p>For Lot Nos. 4 and 5            Dusun sahaja</p> <p>For Lot Nos. 97 and 1541            Kelapa Sawit</p>	<p><b>Existing Use (cont'd)</b>            The yields recorded in year 2005 range from 10.64 to 31.46 metric tonnes per hectare (on field by field basis).            The extraction rates for the year 2005 is 18.85% and 4.90% for palm oil and palm kernel respectively.  <b>Planning Provisions</b>            The subject property is zoned for agricultural use.</p>	

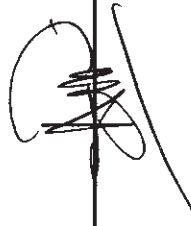
PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>LAPAN KABU ESTATE, KELANTAN</b> (Our Ref No. : <u>WTW/KB/4154/2006/MKM</u> dated 21 July 2006) [Date of Inspection / Valuation : 12 July 2006]</p> <p><b>Express Conditions (cont'd)</b></p> <p>For Lot Nos. <u>298, 302 and 691</u> Getah dan Kelapa Sawit sahaja</p> <p>For Lot No. <u>735</u> Getah sahaja</p> <p><b>Restrictions In-Interest</b> For Lot Nos. <u>298, 302 and 691</u></p> <p>Tanah yang terkandung dalam hakmilik ini tidak boleh dipindah milik, digadai, diberi pajakan atau dibuat sebarang perkiraan melainkan mendapat kebenaran Pihak Berkuasa Negeri</p> <p>Tanah yang terkandung dalam hakmilik ini dikecualikan bagi maksud Gadaian tanah ini kepada Bank atau Institusi Kewangan yang disenaraikan di dalam Jadual D Enakmen Rizab Melayu Kelantan 1930 dan Jaduan 26A Enakmen Tanah Kelantan 1938 bagi membolehkan tuan tanah mendapat pinjaman sendiri.</p> <p>All other lots Nil</p>		

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>LEPAN KABU ESTATE, KELANTAN</b> (Our Ref No. : WTW/KB/4154/2006/MKM dated 21 July 2006) [Date of Inspection / Valuation : 12 July 2006]</p>	<p><b>Other Endorsements</b> <u>For Lot No. 298</u></p> <p>Pengambilan Sebahagian Tanah – Borang K seluas lebih kurang 0.949 ekar didaftarkan pada 13hb Mac 1993</p> <p><u>For Lot No. 302</u></p> <p>1) Pengambilan Sebahagian Tanah - Borang K seluas lebih kurang 0.1987 hektar didaftarkan pada 27hb Oktober 1988. 2) Pengambilan Sebahagian Tanah - Borang K seluas lebih kurang 0.215 hektar pada 19 Jun 1990.</p> <p><u>For Lot No. 735</u></p> <p>Pengambilan sebahagian Tanah - Borang K seluas lebih kurang 22.423 meter persegi pada 15 Mei 1989.</p>	


PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE												
<p><b>TELOK SENGAT PALM OIL MILL, JOHOR</b> (Our Ref No. : PM27/06/MBM/KHAW/mc dated 20 July 2006) [Date of Inspection / Valuation : 6 June to 8 June 2006]</p> <p><b>Parent Lot No.</b> 1292, Mukim of Johor Lama, District of Kota Tinggi, State of Johor.</p> <p><b>Parent Title No.</b> GERAN 25899</p> <p><b>Location</b> Telok Sengat Palm Oil Mill, P.O.Box 513, 81909 Kota Tinggi, Johor Darul Takzim.</p> <p><b>Parent Titled Land Area</b> 968.7289 hectares</p> <p><b>Area Under Valuation</b> 19.235 hectares</p> <p><b>Registered Owner</b> HEAH JOO SEANG RUBBER ESTATES SDN. BHD.</p> <p><b>Category of Land Use</b> Nil</p> <p><b>Tenure</b> Term in perpetuity</p> <p><b>Encumbrances</b> Nil</p>	<p>The subject property comprises the lands (palm oil mill site, effluent treatment plant site, raw water pond site, staff quarters site and workers' quarters site), buildings (within palm oil mill site, raw water pond site, staff quarters site and workers' quarters site) plant and machinery (within palm oil mill site) for the Telok Sengat Palm Oil Mill.</p> <p><b>Site</b> The subject lands comprise lands allocated for the palm oil mill, effluent treatment plant, raw water pond, staff quarters and worker quarters. The land areas provided and confirmed by the client are summarised as follows: -</p> <p>The subject lands comprise lands allocated for the palm oil mill, effluent treatment plant, raw water pond, staff quarters and worker quarters. The land areas provided and confirmed by the client are summarised as follows: -</p> <table border="0"> <tr> <td>Palm Oil Mill</td> <td>6.585 hectares</td> </tr> <tr> <td>Effluent Treatment Plant</td> <td>4.880 hectares</td> </tr> <tr> <td>Raw Water Pond</td> <td>1.710 hectares</td> </tr> <tr> <td>Staff Quarters</td> <td>2.460 hectares</td> </tr> <tr> <td>Worker Quarters</td> <td><u>3.600 hectares</u></td> </tr> <tr> <td><b>Total Land Area</b></td> <td><b><u>19.235 hectares</u></b></td> </tr> </table> <p>During our site inspection, we noted that the sites are not demarcated with any form of fencing, except the palm oil mill site. The shape of the palm oil mill site is fairly regular in shape. The terrain of above-mentioned sites are generally cut and levelled from a rolling hill terrain. The sites are improved with circulation roads, perimeter drainage system, perimeter fencing, signboard and landscaping.</p> 	Palm Oil Mill	6.585 hectares	Effluent Treatment Plant	4.880 hectares	Raw Water Pond	1.710 hectares	Staff Quarters	2.460 hectares	Worker Quarters	<u>3.600 hectares</u>	<b>Total Land Area</b>	<b><u>19.235 hectares</u></b>	<p><b>RM9,122,000/-</b></p> <p><b>Method of Valuation</b> Depreciated Replacement Cost Method</p> <p>Other Methods of Valuation are deemed not appropriate for this Valuation.</p> <p><b>Date of Valuation</b> 8 June 2006</p>
Palm Oil Mill	6.585 hectares													
Effluent Treatment Plant	4.880 hectares													
Raw Water Pond	1.710 hectares													
Staff Quarters	2.460 hectares													
Worker Quarters	<u>3.600 hectares</u>													
<b>Total Land Area</b>	<b><u>19.235 hectares</u></b>													

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>TELOK SENGAT PALM OIL MILL, JOHOR</b>            (Our Ref No. : PM27/06/MBM/KHAW/mc dated 20 July 2006)            [Date of Inspection / Valuation : 6 June to 8 June 2006]</p>	<p><b>Buildings</b>            At the time of inspection, the buildings have been constructed as follows: -</p> <p><b>Palm Oil Mill</b>            (1) Guardhouse            (2) Carpark and Motorcycle Sheds            (3) Single Storey Office cum Laboratory Building            (4) Fruits Inspector's Office            (5) Steriliser Station Building            (6) Main Process Building            (7) Kernel Store Building            (8) Power Station and Clarification Station Building            (9) Boiler House            (10) Raw Water Pump House            (11) Treated Water Pump House            (12) Workshop Building            (13) Canteen Building            (14) Toilet Block            (15) Oil Despatch Shed            (16) Manager's Bungalow            (17) Senior Staff Bungalows            (18) Junior Staff Bungalows            (19) Staff Quarters            (20) Workers' Quarters</p>	
<p><b>Express Conditions</b>            Nii</p> <p><b>Restriction In Interest</b>            Nii</p>	<p><b>Plant and Machinery</b>            FFB Reception, Steriliser Station, Threshing Station, Oil Extraction Station, Clarification Station, Tank Farm, Dewatering &amp; Kernel Recovery Stations, Boiler House, Power Plant, Effluent Treatment Plant, Water Supply, Workshop Equipment, Laboratory Equipment and Mobile Equipment and Motor Vehicle</p>	



PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>TELOK SENGAT PALM OIL MILL, JOHOR</b>            (Our Ref No. : PM27/06/MBM/KHAW/mc dated 20 July 2006)            [Date of Inspection / Valuation : 6 June to 8 June 2006]</p>	<p><b>Existing Use</b>            Palm Oil Mill.</p> <p><b>Planning Provisions</b>            The subject land is zoned for agricultural use.</p> <p><b>Capacity</b>            30 metric tons FFB/hr</p> 	

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>LEPAN KABU PALM OIL MILL, KELANTAN</b> (Our Ref No. : PM27(A)/06/MBM/WFC/KB dated 20 July 2006) [Date of Inspection / Valuation : 12 July 2006]</p>		
<p><b>Parent Lot Nos.</b> 298 &amp; 691, Mukim of Kuala Pahi, District of Kuala Krai, State of Kelantan.</p>	<p>The subject property comprises the lands (palm oil mill site, effluent treatment plant site, raw water pond site, staff quarters site and workers' quarters site), buildings (within palm oil mill site, staff quarters site and workers' quarters site) plant and machinery (within palm oil mill site) for the Lepan Kabu Palm Oil Mill. The subject property is held under part of Parent Lot Nos. 298 and 691, Mukim of Kuala Pahi, District of Kuala Krai, State of Kelantan.</p>	<p><b>RM4,284,000/-</b></p>
<p><b>Parent Title Nos.</b> GRN 22288 &amp; GRN 22291</p>		<p><b>Method of Valuation</b> Depreciated Replacement Cost Method</p>
<p><b>Location</b> Kampung Kuala Pahi, 18000 Kuala Krai, Kelantan</p>	<p><b>Site</b> The subject lands comprise lands allocated for the palm oil mill, effluent treatment plant and building site (staff quarters and workers' quarters). The land areas provided and confirmed by the client are summarised as follows: -</p>	<p>Other Methods of Valuation are deemed not appropriate for this Valuation.</p>
<p><b>Parent Titled Land Area</b> Lot 298 – 59.2924 hectares Lot 691 – 124.6996 hectares</p>	<p>Palm Oil Mill 2.400 hectares Effluent Treatment Plant 2.799 hectares Building Site 2.800 hectares <b>Total Land Area</b> <u>7.999 hectares</u></p>	<p><b>Date of Valuation</b> 12 July 2006</p>
<p><b>Area Under Valuation</b> 7.999 hectares</p>		
<p><b>Registered Owners</b> Lot 298 – MALAKOFF BERHAD Lot 691 – MALAKOFF BERHAD</p>	<p>Based on our site inspection, the sites are not demarcated with any form of fencing, except the palm oil mill site. The shape of the palm oil mill site fairly regular in shape. The terrain of above-mentioned sites are generally flat and level. The sites are improved with circulation roads, perimeter drainage system, perimeter fencing, signboard and landscaping.</p>	
<p><b>Category of Land Use</b> Nil</p>		
<p><b>Tenure</b> Term in perpetuity</p>	<p><b>Buildings</b> At the time of inspection, the buildings have been constructed as follows: -</p>	
<p><b>Encumbrances</b> Nil</p>	<p>Palm Oil Mill (1) Guardhouse (2) Weighbridge Shed (3) Office / Laboratory Building</p>	

PROPERTY IDENTIFICATION	GENERAL DESCRIPTION OF PROPERTY	MARKET VALUE
<p><b>LEPAN KABU PALM OIL MILL, KELANTAN</b>            (Our Ref No. : PM27(A)/06/MBM/WFC/KB dated 20 July 2006)            [Date of inspection / Valuation : 12 July 2006]</p> <p><b>Express Conditions</b>            Getah &amp; Kelapa Sawit</p> <p><b>Restriction in Interest</b>            Tanah yang terkandung dalam hakmilik ini tidak boleh dipindahmilik, diberi pajak, digadai atau sebarang urusaniaga melainkan mendapat kelulusan Pihak Berkuasa Negeri.</p> <p>Tanah yang terkandung dalam hakmilik ini dicekualikan bagi maksud Gadaian tanah ini kepada Bank atau Institusi Kewangan yang disenaraikan di dalam Jadual D Enakmen Rizab Melayu Kelantan 1930 dan Jadual 26A Enakmen Tanah Kelantan 1938 bagi membolehkan tuan tanah mendapat pinjaman sendiri</p>	<p><b>Buildings (cont'd)</b></p> <ul style="list-style-type: none"> <li>(4) Motorcycle Shed</li> <li>(5) Main Mill Factory</li> <li>(6) Toilet</li> <li>(7) Workshop / Garage</li> <li>(8) Store</li> <li>(9) Manager's Bungalow</li> <li>(10) Staff Quarters</li> <li>(11) Workers' Quarters</li> <li>(12) Labour's Quarters</li> </ul> <p><b>Plant and Machinery</b>            FFB Reception, Steriliser Station, Threshing Station, Oil Extraction Station, Clarification Station, Tank Farm, Depericarping &amp; Kernel Recovery Stations, Boiler House, Power Plant, Effluent Treatment Plant, Water Supply, Workshop Equipment, Laboratory Equipment and Mobile Equipment and Motor Vehicle</p> <p><b>Existing Use</b>            Palm Oil Mill.</p> <p><b>Planning Provisions</b>            The subject land is zoned for agricultural use.</p> <p><b>Capacity</b>            20 metric tons FFB/hr</p> 	

**C H Williams Talhar & Wong**

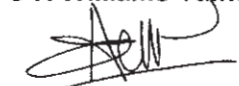
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C H Williams Talhar & Wong Sdn Bhd (18149-U)

Our Ref: 6374/06/LSH  
Page 49

In our opinion, the total market value of the subject properties as at the respective dates of valuation free from all encumbrances is **RM488,606,000/- (Ringgit Malaysia : Four Hundred And Eighty Eight Million Six Hundred and Six Thousand Only).**

Yours faithfully  
for and on behalf of  
**C H Williams Talhar & Wong Sdn Bhd**



**AZIAH MOHD YUSOFF**  
BLE(Hons) MBA(Real Est.) MRICS MISM  
Registered Valuer (V-464)

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