

10. INFORMATION ON OUR SUBSTANTIAL SHAREHOLDERS AND PROMOTERS

10.1 Substantial shareholders/Promoters

10.1.1 Substantial shareholdings

Based on our Register of Substantial Shareholders as at 6 July 2007, the direct and indirect interests of our substantial shareholders/Promoters in our Shares, before and after the Initial Public Offering are as follows:

Name	←-----As at 6 July 2007-----→				←-----After Initial Public Offering-----→			
	←-----Direct-----→		←-----Indirect-----→		←-----Direct-----→		←-----Indirect-----→	
	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%
CCSB	127,372,500	50.95	-	-	103,816,297	37.08	-	-
SFS ⁽³⁾	87,377,683	34.95	-	-	71,218,101	25.44	-	-
TBSB	-	-	⁽¹⁾ 127,372,500	50.95	-	-	⁽¹⁾ 103,816,297	37.08
Datuk Abdul Hamed	-	-	⁽²⁾ 127,372,500	50.95	⁽⁴⁾ 200,000	0.07	⁽²⁾ 103,816,297	37.08
Datuk Hasmi	-	-	⁽¹⁾ 127,372,500	50.95	⁽⁴⁾ 250,000	0.09	⁽¹⁾ 103,816,297	37.08

Notes:

- (1) Deemed interest pursuant to Section 6A of the Act by virtue of his/its interest in CCSB.
- (2) Deemed interest pursuant to Section 6A of the Act by virtue of his interest in TBSB and CCSB.
- (3) A total of 34,814,817 Shares held by Dayak CF, YBMS and YS under the SFS Divestment were pledged to SFS by way of Memoranda of Deposit and Charge to secure the repayment of the purchase consideration within 1 to 3 years. As at 17 July 2007, SFS agreed upon YS's request to release 2,000,000 Shares from the Memoranda of Deposit and Charge.
- (4) Represents the number of Offer Shares to be allocated pursuant to the Reserved Offering and on the assumption that he will subscribe in full the Offer Shares allocated to him.

10.1.2 Details of substantial shareholders/Promoters

Details of Datuk Abdul Hamed and Datuk Hasmi are set out in Sections 9.1.2 and 9.1.3.

Details of our other substantial shareholders/Promoters are as follows:

(i) CCSB

CCSB was incorporated in Malaysia on 14 October 1997 as a private limited company under the Act under its present name. Its principal activity is investment holding.

The Directors of CCSB and their direct and indirect shareholdings in CCSB based on its Register of Directors and Directors' Shareholdings as at 6 July 2007 are set out below:

Directors of CCSB	←-----Direct-----→		←-----Indirect-----→	
	No. of ordinary shares held	%	No. of ordinary shares held	%
Datuk Abdul Hamed	108,515	19.73	⁽¹⁾ 254,760	46.32
Datuk Hasmi	108,515	19.73	-	-
Haji Mohamad Bolhair	46,422	8.44	⁽²⁾ 31,788	5.78

Notes:

- (1) Deemed interest pursuant to Section 6A of the Act by virtue of his interest in TBSB.
- (2) Deemed interest pursuant to Section 6A of the Act by virtue of his interest in PPSB.

10. INFORMATION ON OUR SUBSTANTIAL SHAREHOLDERS AND PROMOTERS (Cont'd)

The substantial shareholders of CCSB based on its Register of Substantial Shareholders as at 6 July 2007 are set out below:

Substantial shareholders of CCSB	<-----Direct----->		<-----Indirect----->	
	No. of ordinary shares held	%	No. of ordinary shares held	%
Datuk Abdul Hamed	108,515	19.73	⁽¹⁾ 254,760	46.32
Datuk Hasmi	108,515	19.73	-	-
Haji Mohamad Bolhair	46,422	8.44	⁽²⁾ 31,788	5.78
TBSB	254,760	46.32	-	-
PPSB	31,788	5.78	-	-

Notes:

(1) Deemed interest pursuant to Section 6A of the Act by virtue of his interest in TBSB.

(2) Deemed interest pursuant to Section 6A of the Act by virtue of his interest in PPSB.

(ii) SFS

SFS is a body corporate incorporated under the State Financial Secretary (Incorporation) Ordinance (Cap 103) on 2 January 1948. The principal activities of SFS are to acquire, purchase, take and hold movable and immovable property of every description and may surrender and yield-up, charge, lease, sub-lease, transfer or otherwise dispose of, or deal with, any movable and immovable property vested in the corporation upon such terms as the corporation seems fit.

(iii) TBSB

TBSB was incorporated in Malaysia on 24 October 1994 as a private limited company under the Act under its present name. Its principal activity is investment holding.

The Directors of TBSB and their direct and indirect shareholdings in TBSB based on its Register of Directors and Directors Shareholdings as at 6 July 2007 are set out below:

Directors of TBSB	<-----Direct----->		<-----Indirect----->	
	No. of ordinary shares held	%	No. of ordinary shares held	%
Datuk Abdul Hamed	299,999	~100.00	-	-
Datuk Hasmi	1	*	-	-

Notes:

~ Approximately.

* Negligible.

10. INFORMATION ON OUR SUBSTANTIAL SHAREHOLDERS AND PROMOTERS (Cont'd)

The substantial shareholder of TBSB based on its Register of Substantial Shareholders as at 6 July 2007 is set out below:

Substantial shareholder of TBSB	<-----Direct----->		<-----Indirect----->	
	No. of ordinary shares held	%	No. of ordinary shares held	%
Datuk Abdul Hamed	299,999	~100.00	-	-

Note:

~ *Approximately.*

10.1.3 Directorships and substantial shareholdings in other public limited companies

Save as disclosed below and in Section 9.1.3, none of our substantial shareholders/Promoters has any substantial shareholdings and/or directorships in other public limited companies held in the two (2) years preceding 6 July 2007:

(i) SFS

Name of company	Principal activities	<-----Direct----->		<-----Indirect----->	
		No. of ordinary shares held	%	No. of ordinary shares held	%
Bintulu Port Holdings Berhad	Provision of port services	122,701,000	30.68	-	-
SEB	Generation, transmission, distribution and sale of electricity	987,537,427	65.01	-	-

(ii) TBSB

Name of company	Principal activities	<-----Direct----->		<-----Indirect----->	
		No. of ordinary shares held	%	No. of ordinary shares held	%
Naim Cendera Holdings Berhad	Investment holding	14,406,900	5.76	-	-

10. INFORMATION ON OUR SUBSTANTIAL SHAREHOLDERS AND PROMOTERS (Cont'd)**10.2 Changes in our substantial shareholders/Promoters and their shareholdings in our Company**

Our substantial shareholders and Promoters and their shareholdings in our Company for the past three (3) years up to 6 July 2007 are set out as follows:

	6 July 2007		31 December 2006		31 December 2005		31 December 2004	
	Direct No. of Shares held	Indirect No. of Shares held	Direct No. of Shares held	Indirect No. of Shares held	Direct No. of Shares held	Indirect No. of Shares held	Direct No. of Shares held	Indirect No. of Shares held
CCSB	127,372,500	50.95	68,850,000	51.00	47,215,000	34.97	47,215,000	34.97
SFS ⁽⁴⁾	87,377,683	34.95	66,050,001	48.93	87,685,001	64.95	87,685,001	64.95
PPSB	-	-	-	-	-	-	⁽¹⁾ 47,215,000	34.97
TBSB	-	-	⁽¹⁾ 127,372,500	50.95	-	-	-	-
Datuk Abdul Hamed	-	-	⁽²⁾ 127,372,500	50.95	-	-	-	-
Datuk Hasmi	-	-	⁽¹⁾ 127,372,500	50.95	-	-	-	-
Haji Mohamad Bolhair	-	-	-	-	-	-	⁽³⁾ 47,215,000	34.97

Notes:

- (1) Deemed interest pursuant to Section 6A of the Act by virtue of his/its interest in CCSB.
- (2) Deemed interest pursuant to Section 6A of the Act by virtue of his interest in TBSB and CCSB.
- (3) Deemed interest pursuant to Section 6A of the Act by virtue of his interest in PPSB and CCSB.
- (4) A total of 34,814,817 Shares held by Dayak CF, YBMS and YS under the SFS Divestment were pledged to SFS by way of Memoranda of Deposit and Charge to secure the repayment of the purchase consideration within 1 to 3 years. As at 17 July 2007, SFS agreed upon YS's request to release 2,000,000 Shares from the Memoranda of Deposit and Charge.

10. INFORMATION ON OUR SUBSTANTIAL SHAREHOLDERS AND PROMOTERS (Cont'd)

10.3 Other matters

10.3.1 Benefits

Save as set out in Section 9.1.4 and the total dividend payment of RM140 million by our Company, we have not paid or given or intend to pay or give any amount or benefits to our substantial shareholders/Promoters within the two (2) years preceding the date of this Prospectus.

10.3.2 Declaration

None of our Promoters is or was involved in the following events:

- (i) a petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or any partnership in which he was a partner or any corporation of which he was a director or key personnel;
- (ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (iv) any judgement was entered against him involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or
- (v) he was the subject of any order, judgement or ruling of any court, government or regulatory authority or body temporarily enjoining him from engaging in any type of business practice or activity.

11. APPROVALS AND CONDITIONS

The IPO and Listing Scheme have been approved by the following:

	Date of Approval
(i) SC	2 February 2007 and 2 August 2007
(ii) SC (under the Guideline on the Acquisition of Interests, Mergers and Take-Overs by Local and Foreign Interests issued by the Foreign Investment Committee)	2 February 2007
(iii) MITI	7 February 2007 and 6 July 2007

Further, based on our Group's audited financial statements for the financial year ended 31 December 2005, the SAC had via its letter dated 8 May 2007, classified SPB's shares Syariah-compliant. The classification is valid until a reassessment is made by the SC based on the next audited financial statements of the SPB Group.

Bursa Securities had via its letter dated 5 July 2007 given its approval in-principle for our admission to the Official List of Bursa Securities and the listing of and quotation for our entire enlarged issued and paid-up capital of RM280,000,000 comprising 280,000,000 Shares (which includes the new Shares issued arising from the Bonus Issue) on the Main Board of Bursa Securities.

SC had via its letter dated 25 July 2007 gave its approval for an extension of time of six (6) months to 2 February 2008 to complete the implementation of the Listing.

The conditions imposed by the authorities and the status of compliance with these conditions are set out as follows:

- (i) The approvals of the SC and SC (under the Guideline on the Acquisition of Interests, Mergers and Take-Overs by Local and Foreign Interests issued by the Foreign Investment Committee), via its letters dated 2 February 2007 and 2 August 2007, are subject to the following conditions:

Details of Conditions Imposed**Status of Compliance**

- | | |
|--|---|
| (a) SPB Group to recover the remaining balance of the deposit of RM32.2 million paid to Datuk Zainal Abidin Haji Ahmad and/or companies related to him pursuant to the acquisition of four (4) plantation companies prior to the issuing of this Prospectus. | On 1 March 2007, we had appealed against this condition imposed by the SC. Subsequent to the appeal, the SC had in its letter dated 25 April 2007, granted SPB a waiver from complying with this condition. Nonetheless, we had provided full allowance for the remaining balance of deposits which were not provided for in our Group's audited consolidated financial statements for the financial year ended 31 December 2006. |
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11. APPROVALS AND CONDITIONS (Cont'd)**Details of Conditions Imposed****Status of Compliance**

- (b) All future transactions between SPB Group and other companies related to the substantial shareholders and directors should be on arm's length basis and should not be unfavourable to SPB Group.

Noted and will be complied with.

The Audit Committee of SPB should monitor and the directors should report such transactions in the annual report of SPB.

- (c) All amounts owing to the SPB Group by its directors/substantial shareholders and other companies controlled by the directors and substantial shareholders should be settled prior to the issuance of this Prospectus.

Complied. There are no amounts owing to our Group by our directors/ substantial shareholders and other companies controlled by our directors and substantial shareholders as at the Latest Practicable Date.

- (d) SPB to comply with the following conditions with regards to its properties:

Identification of property	Conditions imposed	Status of Compliance
(i) Two (2) plots of State Land in Lambir and Melugu, Sarawak.	SPB to provide an undertaking that the properties will only be occupied when the necessary approvals for building plans and Occupation Permit ("OP") are obtained and/or land alienation premium paid.	Complied. The undertaking letter had been submitted to the SC on 6 July 2007.
(ii) A State Land in Meradong, Sarawak.		On 1 March 2007, in view of Paragraph 10.01(a) of the Prospectus Guidelines, SPB Group had appealed against a compulsory disclosure in this Prospectus of a property condition as stated in the SC's approval letter dated 2 February 2007. Subsequent to the appeal, the SC had, in its letter dated 5 April 2007, granted SPB a waiver from the above-mentioned disclosure.
(iii) A State Land in Lubai Tengah, Sarawak.		

11. APPROVALS AND CONDITIONS (Cont'd)

Details of Conditions Imposed	Status of Compliance
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Identification of property	Conditions imposed	Status of Compliance
State Lands Identified as Lot 61 and Lot 1, Block 22, Sawai Land District, Sarawak.	SPB to make adequate disclosure in this Prospectus on its rights to develop the land in the absence of the alienation/document of title.	Complied. Please refer to Section 12.2 of this Prospectus.
(i) Lots 3010 and 3014, Lambir Land District, Sarawak. (ii) Lot 482, Block 4, Miri Concession Land District, Sarawak. (iii) Lot 10168, Section 65, Kuching Town Land District, Sarawak.	SPB to provide an undertaking that the property will only be occupied when the necessary approvals for building plans and OP are obtained.	Complied. The undertaking letter has been submitted to the SC on 6 July 2007.

- (e) The proceeds from the proposed listing of SPB are not to be utilised for the proposed payment of dividend of RM60million to its existing shareholders. Complied. The dividend of RM60 million has been paid on 21 May 2007 using our own internally generated funds.
- (f) With regards to the National Development Policy ("NDP"), SPB shall comply with the following:
- (i) Bumiputera investors holding at least 30% of the enlarged share capital of SPB to be recognised/approved by the MITI. Complied. The MITI vide its letter dated 6 July 2007 has recognised the total Bumiputera shareholdings at 30.00% of the enlarged share capital of SPB Group.
- (ii) SPB to maintain at least 51% Bumiputera equity at all times. SC had via its letter dated 15 June 2007 approved our appeal such that SPB is to maintain at least 30% Bumiputera equity at all times.
- (iii) SPB and CIMB to provide the SC with the status of compliance with NDP requirement upon completion of the listing exercise. To be complied after the Listing.

11. APPROVALS AND CONDITIONS (Cont'd)

Details of Conditions Imposed	Status of Compliance
(g) SPB and CIMB to comply with other requirements relating to the proposals as stipulated in the SC's Policies and Guidelines on Issue/Offer of Securities.	Complied to the extent applicable as of the date of this Prospectus.

The SC (under the Guideline on the Acquisition of Interests, Mergers and Take-Overs by Local and Foreign Interests issued by the Foreign Investment Committee), has noted that the equity structure of SPB upon Listing is as shown in the following table:

	Before Listing Scheme %	After IPO %
Bumiputera	99.75	74.82 ⁽¹⁾
Non-Bumiputera	0.25	25.18
Foreign	-	-
Total	100.00	100.00

Note:

(1) Subject to the MITI's approval.

- (ii) The approval of the MITI via its letters dated 7 February 2007 and 6 July 2007 is subject to the following conditions:

Details of Conditions Imposed	Status of Compliance
(a) SPB to obtain the SC's approval for the Listing and to comply with the Guideline on the Acquisition of Interests, Mergers and Take-Overs by Local and Foreign Interests issued by the Foreign Investment Committee.	Complied. The approval of the SC and SC (under the Guideline on the Acquisition of Interests, Mergers and Take-Overs by Local and Foreign Interests issued by the Foreign Investment Committee) was obtained on 2 February 2007.

- (b) The MITI had, in its letter dated 7 February 2007, recognised/validated the following as the Bumiputera investors in SPB upon Listing.

No.	Shareholder	No. of shares	%
1.	CCSB	103,191,547	36.85
2.	SFS	71,218,101	25.44
3.	SLDB	150,785	0.05
	Total	174,560,433	62.34

30% of the above Shares are allowed to be sold within three (3) months after the Listing and the remaining 70% in stages subject to obtaining prior approval from the MITI.

On 22 June 2007, we had appealed to the MITI to reconsider its decision. The MITI had, via its letter dated 6 July 2007 approved our appeal, details of which are set out in the next page.

11. APPROVALS AND CONDITIONS (Cont'd)**Details of Conditions Imposed****Status of Compliance**

The MITI had, in its letter dated 6 July 2007, approved our appeal and recognised/validated the following as the Bumiputera investors in SPB upon Listing.

No.	Shareholder	No. of shares	%
1.	CCSB	49,653,513	17.73
2.	SFS	34,279,115	12.24
3.	SLDB	67,372	0.03
	Total	84,000,000	30.00

30% of the above Shares is allowed to be sold within three (3) months after the Listing and the remaining 70% in stages subject to obtaining prior approval from the MITI.

To be complied after the Listing.

- (c) SPB and CIMB to inform the MITI on the equity structure of SPB Group held by investors recognised/approved by the MITI six (6) months after the Listing date.

To be complied after the Listing.

12. OTHER INFORMATION ON OUR GROUP**12.1 Properties**

There are no properties which were acquired within the past two (2) years preceding the date of this Prospectus. Save as disclosed below, all our buildings/staff quarters, where applicable, have been issued with OP.

The details of the properties of our Group as at the Latest Practicable Date are set out below (the average yield as set out below was based on average yield for the financial year ended 31 December 2006):

Registered Owner/Lessee	Estate	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha / Build-up area)	Endorsements/ Encumbrances	Express Conditions/ Restrictions in Interest	Net Book Value as at 31 March 2007
									RM
SPAD	Bukit Peninjau (age of planting 8 to 9 years) (average yield 23.68 per Ha)	Lot 89, Block 2, Bukit Kisi Land District	Not applicable	60 years/ 06.05.2043	Oil palm plantation	2,162.0	Charged to CIMB Bank*	See item no. 1	3,950,470
		Lot 12, Block 2, Bukit Kisi Land District	Not applicable	60 years/ 29.11.2057	Oil palm plantation	40.9	Charged to CIMB Bank*	See item no. 2	32,063
	Ladang Surea (age of planting 1 to 29 years) (average yield 21.06 per Ha)	Part of Lot 11, Block 2, Bukit Kisi Land District	Not applicable	60 years/ 06.05.2043	Oil palm plantation	1,638.0	Nil	See item no. 1	944,485
	Ladang Surea - Oil Palm Seed Garden (age of planting 8 years)	Part of Lot 11, Block 2, Bukit Kisi Land District	Not applicable	60 years/ 06.05.2043	Oil palm seed garden	200.0	Nil	See item no. 1	226,949

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Registered Owner/ Lessee	Estate	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha / Build-up area)	Endorsements/ Encumbrances	Express Conditions/ Restrictions in Interest	Net Book Value as at 31 March 2007
									RM
	Ladang Kosa (age of planting 4 to 18 years) (average yield 18.44 per Ha)	Lot 2, Block 14, Niah Land District	Not applicable	60 years/ 06.05.2043	Oil palm plantation	971.0	Nil	See item no. 1	603,943
		Lot 5, Block 8, Bukit Kisi Land District	Not applicable	60 years/ 06.05.2043	Oil palm plantation	607.0	Nil	See item no. 1	2,723
		Lot 1, Block 17, Niah Land District	Not applicable	60 years/ 06.05.2043	Oil palm plantation	1,031.0	Nil	See item no. 1	293,054
		Lot 3, Block 16, Niah Land District	Not applicable	60 years/ 16.07.2055	Vacant	254.0	Nil	See item no. 3	153,629
	Ladang Tiga (age of planting 1 to 6 years) (average yield 18.73 per Ha)	Part of Lot 2, Block 11, Niah Land District	Not applicable	60 years/ 06.05.2043	Oil palm plantation	945.9	Nil**	See item no. 1	3,950,951
		Part of Lot 2, Block 11, Niah Land District	30 years	60 years/ 06.05.2043	Mill 60 MT per hour OP obtained on 15.09.2006	19.1	Nil**	See item no. 1	3,146,117
		Lot 3, Block 8, Bukit Kisi Land District	Not applicable	60 years/ 06.05.2043	Oil palm plantation	1,269.0	Nil**	See item no. 1	5,702

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Registered Owner/ Lessee	Estate	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha / Build-up area)	Endorsements/ Encumbrances	Express Conditions/ Restrictions in Interest	Net Book Value as at 31 March 2007
									RM
		Lot 14, Block 11, Niah Land District	Not applicable	60 years/ 29.11.2057	Oil palm plantation and effluent area	53.0	Nil**	See item no. 2	36,074
	Subis 2 (age of planting 1 to 18 years) (average yield 24.11 per Ha)	Lot 2, Block 17, Niah Land District	Not applicable	60 years/ 06.05.2043	Oil palm plantation and nursery	1,558.0	Nil	See item no. 1	1,081,027
		Part of Lot 1, Block 18, Niah Land District	Not applicable	60 years/ 06.05.2043	Oil palm plantation	595.0	Nil	See item no. 1	2,668
		Part of Lot 4, Block 8, Bukit Kisi Land District	Not applicable	60 years/ 29.11.2057	Oil palm plantation	610.5	Nil	See item no. 2	404,261
	Subis 3 (age of planting 10 to 18 years) (average yield 20.53 per Ha)	Part of Lot 1, Block 18, Niah Land District	Not applicable	60 years/ 06.05.2043	Oil palm plantation	2,460.0	Nil	See item no. 1	11,047
		Part of Lot 4, Block 8, Bukit Kisi Land District	Not applicable	60 years/ 29.11.2057	Oil palm plantation	120.0	Nil	See item no. 2	1,950,779
	Sungai Tangai (age of planting 6 to 7 years) (average yield 21.00 per Ha)	Lot 4, Block 7, Niah Land District	Not applicable	60 years/ 06.05.2043	Oil palm plantation	1,619.0	Charged to CIMB Bank*	See item no. 1	2,337,146

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Registered Owner/ Lessee	Estate	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha / Build-up area)	Endorsements/ Encumbrances	Express Conditions/ Restrictions in Interest	Net Book Value as at 31 March 2007
									RM
		Lot 2, Block 5, Bukit Kisi Land District	Not applicable	60 years/ 06.05.2043	Oil palm plantation	107.0	Charged to CIMB Bank*	See item no. 1	486
	Sawai, Niah (age of planting 6 to 19 years)	Lot 68, Sawai Land District	Not applicable	60 years/ 17.01.2056	Teak and oil palm plantation	2,726.0	Nil	See item no. 4	4,796,349
	(average yield 15.82 per Ha)								
	Tulai (age of planting 1 to 2 years)	Lot 619, Block 5, Tulai Land District	Not applicable	60 years/ 07.05.2063	Oil palm plantation (immature plantation)	595.0	Nil	See item no. 5	571,778
	Melugu LDS, KM16, Kuching-Sri Aman Road (age of planting 2 to 5 years)	Lot 185, 186, 187 and 188, Melugu Town District	Not applicable	60 years/ 31.12.2030	Vacant	0.3	Nil	See item no. 6	4
	(average yield 9.72 per Ha)								
	Skrang LDS, KM58, Sri Aman/ Sarikei Road	Lot 1, 2 and 85, Block 11, Kluah Land District	Not applicable	60 years/ 20.03.2060	Oil palm plantation	1,335.0	Nil	See item no. 7	1,022,539
		Lot 290, Skrang Town District	Not applicable	60 years/ 04.03.2036	Vacant	2.0	Nil	See item no. 8	7,036

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Registered Owner/ Lessee	Estate	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha / Build-up area)	Endorsements/ Encumbrances	Express Conditions/ Restrictions in Interest	Net Book Value as at 31 March 2007
		Lot 294, 295, 296, 298 and 299, Skrang Town District	Not applicable	60 years/ 04.03.2036	Vacant	1.7	Nil	See item no. 9	RM 5,986
		Lot 300, 301, 302, 303 and 304, Skrang Town District	Not applicable	60 years/ 04.03.2036	Vacant	0.5	Nil	See item no. 9	1,792
	Mukah 1 (age of planting 1 to 29 years) (average yield 16.65 per Ha)	Part of Lot 3, Block 8, Sikat Land District (formerly known as Gigit Land District) ⁽⁶⁾	Not applicable	60 years/ 11.06.2049	Oil palm plantation and nursery	3,924.5	Nil	See item no. 10	1,573,313
		Part of Lot 3, Block 8, Sikat Land District (formerly known as Gigit Land District) ⁽⁶⁾	27	60 years/ 11.06.2049	Mill 60 MT per hour	22.5	Nil	See item no. 10	5,113,994
	Mukah 3 (age of planting 1 to 29 years) (average yield 8.45 per Ha)	Lot 10, Block 12, Bawan Land District ⁽⁶⁾	Not applicable	60 years/ 11.06.2049	Oil palm plantation	120.0	Nil	See item no. 11	274
		Part of Lot 7, Block 12, Bawan Land District ⁽⁶⁾	Not applicable	60 years/ 11.06.2049	Oil palm plantation	2,606.0	Nil	See item no. 12	1,589,489

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Registered Owner/ Lessee	Estate	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha / Build-up area)	Endorsements/ Encumbrances	Express Conditions/ Restrictions in Interest	Net Book Value as at 31 March 2007
									RM
	Sri Duan (age of planting 6 to 29 years)	Part of Lot 7, Block 12, Bawan Land District	Not applicable	60 years/ 11.06.2049	Oil palm plantation	3,038.0	Nil	See item no. 12	1,719,781
	(average yield 5.31 per Ha)								
SPPH	KM8 Tg. Kidurong Bintulu	Lot 433 to 497, Block 26, Kemena Land District	Not applicable	60 years/ 02.01.2061	Vacant	2.3	Nil	See item no. 14	1,559,214
	Lambir LDS KM15, Miri/ Bintulu Road	Lot 3010, Lambir Land District ⁽¹⁾	30	60 years/ 31.12.2030	Staff quarters ⁽¹⁾	0.2	Nil	See item no. 6	2
		Lot 3011, 3012, 3013 and 3014, Lambir Land District ⁽¹⁾	9	60 years/ 31.12.2030	Staff terrace quarters ⁽¹⁾	0.5	Nil	See item no. 6	293,788
		Lot 5, 6, 7 and 8, Block 6, Lambir Land District	Not applicable	60 years/ 31.12.2030	Vacant	0.4	Nil	See item no. 6	4
	Chemistry Laboratory, Jalan Semeriang, Petra Jaya, Kuching	Lot 10168, Section 65, Kuching Town Land District ⁽²⁾	31	60 years/ 21.01.2035	Former Chemistry laboratory (unoccupied) ⁽²⁾	0.4	Nil	See item no. 13	42,234
	Piasau Bulking, Piasau Industrial Estate	Lot 482, Block 4, Miri Concession Land District ⁽³⁾	29	60 years/ 11.06.2036	Palm oil bulking installation. We are not using the said property ⁽³⁾	1.9	Nil	See item no. 15	94,128

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Registered Owner/Lessee	Estate	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha / Build-up area)	Endorsements/ Encumbrances	Express Conditions/ Restrictions in Interest	Net Book Value as at 31 March 2007
									RM
	Sungei Nyelong	Lot 1684, Block 201, Sarikei Land District	Not applicable	60 years/ 31.12.2029	Rented out as log-pond	1.7	Nil	See item no. 16	1
	Lubok, Bukit Btg Balingian	Lot 1, Block 13, Bawan Land District	Not applicable	60 years/ 14.03.2049	Vacant	0.6	Nil	See item no. 17	3
	Business Office Miri Waterfront	Lot 1171 to 1174 and Lot 1177 to 1180, Miri Concession Land District	9	57 years/ 30.09.2052	Commercial and office use OP obtained on 16.06.1998	0.2	Nil	See item no. 18 (Lots 1171-1173 and Lots 1177-1180) See item no. 19 (Lot 1174)	17,131,195
	Penthouse, No. 1801, 18 th Floor, Block Dahlia, Jalan Casuarina, Petra Jaya, Kuching	Parcel 4-18-SS of Lot 192 Block 15 Salak Land District ⁽⁶⁾	3	99 years/ 21.10.2093	Residential penthouse ⁽⁶⁾ OP obtained on 19.05.2004	Parcel area 425.03 sq. metres	Nil	See item no. 20	1,128,101
	New Chemistry Laboratory, Jalan Sultan Tengah, Petra Jaya, Kuching	Lot 2497, Block 14, Salak Land District	1	60 years/ 19.06.2062	Chemistry laboratory OP obtained on 12.10.2006	1.1	Nil	See item no. 21	3,158,527
	Registered Office 8 th Floor Wisma Naim 2½ Miles Rock Road 93200 Kuching	Parcel 3064-9-1 of Lot 3064, Block 10, Kuching Central Land District	8	60 years/ 11.04.2055	Office use OP obtained on 22.01.1998	Parcel area 675.58 sq. metres	Nil	See item no. 22	3,631,749

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Registered Owner/ Lessee	Estate	Title/ Location	Approximate Age of Building (years)	Tenure/ Expiry of Lease	Description/ Existing use	Land Area (Ha / Build-up area)	Endorsements/ Encumbrances	Express Conditions/ Restrictions in Interest	Net Book Value as at 31 March 2007
SLDB	Krn 19 Tanjung Kidurong Bintulu	Lot 9 Block 20, Kemena Land District ⁽⁵⁾	17	60 years/ 29.11.2043	Used by BEO for its operations which includes the refining of CPO into bleached and deodorised palm oil and other related products ⁽⁵⁾	6.5	Nil	See item no. 23	447,916 RM

On 22 June 2006, SPPH entered into an SPA with Ting Siang Ming, Lim Chai Gauk and Ting Kee Chuon ("Purchasers") for the sale of a parcel of land measuring approximately 6,171 square metres and described as Lot 158, Block 10, Seduan Land District for a consideration of RM515,000. Based on the net book value of the said property as at 31 March 2007 of RM39,975, the resulting gain on disposal is RM475,025. On 30 April 2007, the Director of Land and Surveys, Sarawak has given its consent for the transfer of the land to the Purchasers. This disposal of land is pending completion as at the date of this Prospectus.

Notes:

- * In the process of being discharged as the outstanding loan has been fully repaid in January 2007.
- ** This property will be charged to AmlInvestment Bank Berhad (formerly known as AmMerchant Bank Berhad) upon registration of the Memorandum of Charge.
- (1) These buildings do not have OP. In addition, there was a breach of observance or compliance of title conditions. SPPH had via its appointed architect on 19 October 2006 applied to Land and Survey Department, Miri for amalgamation and variation of title conditions of the said properties. SPPH will submit the building plans in respect of the said properties to Miri City Council after the amalgamation and variation of title conditions have been approved to rectify the said breach of observance or compliance of title conditions. After obtaining the building plan approval from the Miri City Council, SPPH will proceed to apply for the OP.
- (2) This building was formerly used as our laboratory for agronomic purposes such as soil and leaves testing and analysis. Our new laboratory is now located at Lot 2497 Block 14, Salak Land District. As such, the said building is currently unoccupied. We will not be submitting any building plans nor making any application to obtain OP as the said building will not be used for our operations.
- (3) No building plans have been submitted to the relevant authority. As such, these buildings erected on these properties do not have OP. In addition, there is a jetty constructed on the land, and there is no licence obtained from Sarawak Rivers Board for the operation of the jetty. These buildings together with the jetty were constructed in early 1970s. It was not used since 1988 and had been left idle up to the date of this Prospectus. We will not be submitting any building plans nor making any application to obtain OP and licence for the jetty as they will not be used for our operations.

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

- (4) The issuance of strata title is pending as at the Latest Practicable Date.
- (5) In the course of the privatisation exercise of SLDB, an agreement was entered into between SLDB and SPB to transfer all its assets to SPB. One of the properties to be transferred was at that relevant time sub-leased to BEO by way of a Memorandum of Sub-lease which was registered on the title of the said property and the said sub-lease contained a term providing an option for BEO to purchase the property in the event SLDB intends to sell the same.
- As at the Latest Practicable Date, the legal title of this land has yet to be transferred from SLDB to SPPH because BEO has not given its unconditional consent to the transfer. BEO had built a refinery on this land to facilitate its operations which includes the refining of CPO into bleached and deodorised palm oil and other related products. BEO is the major customer of SPB Group. Based on the legal opinion of our solicitors, SPPH is the beneficial owner of this land and may in its discretion apply to court for specific performance to compel SLDB to transfer the legal title of this land to SPPH. Our Board intends to resolve this matter by negotiating with BEO so that this land can be sold to BEO at a price to be determined by both parties.
- (6) Part of the lands amounting to a total 44.72 Ha is subject to compulsory acquisition by the State Government under Section 48 of the Sarawak Land Code, 1957 (Cap 81) for the upgrading of access road to Mukah from Sibul/Bintulu Junction to Matadeng. As at the Latest Practicable Date, the said compulsory acquisition is not effected yet. Our Group expects compensation from the State Government for the palm trees which will be felled on the land at an established rate to be determined later. The compulsory acquisition will not materially affect our operations.

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Pursuant to the SPA dated 29 March 1998 entered into between SLDB, SPB, SPAD and SPPH for the sale of SLDB's assets, SLDB undertakes, inter-alia, to pursue the application for the unalienated lands with due diligence (the applications which were all already made to the relevant authorities) and to procure the issue of the documents of title to these unalienated lands to our relevant subsidiaries. Some of the lands have been approved for alienation and others are pending decision for alienation by the relevant authorities. The following are the said unalienated lands:

Estate	Land Area (Ha)
Melugu LDS KM16 Kuching Sri Aman Road ⁽¹⁾	906.23
Lambir LDS KM 14-22 Miri-Bintulu Road ⁽¹⁾	379.56
Tulai area (Tulai/Atoi-Assan) Sarikei/Sibu ⁽²⁾	3,000.00
Triboh LDS KM 6 Off KM 70 Kuching Sri Aman Road ⁽³⁾	18.21
Lubai Tengah LDS Limbang – Medamit Road ⁽⁴⁾	204.75
Meradong LDS KM 24 Sarikei – Sibu Road ⁽⁵⁾	712.74
Beluru Bakong KM 24 Off KM 46 Miri – Bintulu Road	15,620.00
Stateland adjoining Sg Tangit Oil Palm Estate KM 3 Off KM 75 Miri – Bintulu Road	2,797.00

Notes:

- (1) Staff quarters have been built on these lands. However, the premises are not occupied as at the date of this Prospectus. There are some oil palm and rubber trees planted on some part of the land located at Melugu but there are no activities being performed in these areas as at the date of this Prospectus. The contribution from the sale of FFB and latex is immaterial to our Group's historical profits for the years under review, namely from 2004 to 2006. The land has been approved for alienation by the State Government via the letter from Land and Survey Department dated 13 February 2007 and currently Land and Survey Department is in the process of demarcating, determining the land premium and terms and conditions before issuing a formal offer for our acceptance.
- (2) 595 Ha out of 3,000 Ha of the land has been alienated and the land title of this 595 Ha has been issued.
- (3) The land has been approved for alienation by the State Government via the letter from Land and Survey Department dated 13 February 2007 and currently Land and Survey Department is in the process of demarcating, determining the land premium and terms and conditions before issuing a formal offer for our acceptance.

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

- (4) *A rubber factory, staff quarters and office were constructed on this land in early 1970s but were not used since 1990 and have been left idle since. As such, we will not be submitting any building plans nor making any application to obtain OP (after the alienation of land is obtained) as the rubber factory, staff quarters and office will not be used for our operations. The land has been approved for alienation by the State Government via the letter from Land and Survey Department dated 9 October 2006 except for staff quarters and office site and currently Land and Survey Department is in the process of demarcating, determining the land premium and terms and conditions before issuing a formal offer for our acceptance.*
- (5) *A rubber factory and staff quarters were constructed on this land in 1976 but were not used since 2003 and have been left idle since. As such, we will not be submitting any building plans nor making any application to obtain OP (after the alienation of land is obtained) as the rubber factory/staff quarters will not be used for our operations.*

Special Conditions:**Item No. 1**

1. This land shall be used only for agricultural purposes and purposes incidental to the production and processing of crops grown thereon and such other purposes as may be from time to time approved by the Director of Lands and Surveys;
2. No building shall be erected within a distance of 300 feet from the edge of the Bintulu-Miri Road Reserve without the prior authority in writing of the Director of Lands and Surveys;
3. This provisional lease shall be terminated by the registration of a lease or leases in the name of the registered proprietor of the provisional lease for an area exceeding acres including the area held hereunder;
4. The terms of years for which any such lease shall be granted shall be the balance then remaining of terms of sixty (60) years from the date of this provisional lease;
5. All points of ingress to and egress from any trunk road shall be subject to the approval in writing of the Director of Lands and Surveys which approval shall be obtained prior to the commencement of construction and/or use of such point of ingress or egress;
6. The lessee shall not be entitled to a lease for any of the land included in this provisional lease which may be required for the purpose of a road reserve;
7. No dealing, except a charge, affecting this land or part thereof shall be effected without the consent in writing of the Minister for the time being responsible for land;
8. The proprietor shall commence field planting within three years of the issue of this lease and shall complete at least fifty percent of the planting of the next plantable area at the end of the seventh year. The whole of the nett plantable area shall be fully planted by the end of the tenth year from the date of the issue of this lease;
9. A breach or a default in the observance of any or all the conditions specified above shall render the land liable to forfeiture and the Superintendent or other officer authorised by him may, on behalf of the Government, declare the estate or interest secured by that document of title to be forfeited and re-enter the land or the portion thereof of which the breach or default occurs in accordance with Section 33(1) of the Land Code; and
10. The holder of this provisional lease shall not be entitled to a lease of an area equal to the area above stated but only to such an area as the survey shows to be available.

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Item No. 2

1. This land shall be used only for agricultural purposes and purposes incidental to the production and processing of crops grown thereon and such other purposes as may be from time to time approved by the Director of Lands and Surveys;
2. No building shall be erected within a distance of 300 feet from the edge of the road reserve without the prior authority in writing of the Director of Lands and Surveys;
3. All points of ingress to and egress from any trunk road shall be subject to the approval in writing of the Director of Lands and Surveys which approval shall be obtained prior to the commencement of construction and/or use of such point of ingress or egress;
4. The lessee shall not be entitled to a lease for any of the land included in this lease which may be required for the purpose of road reserve;
5. The proprietor shall not disturb the land within the sixty-six feet reserve along the bank of navigable river or stream;
6. The proprietor shall have no rights to extract timber or mineral deposits from the land without an appropriate licence issued by the relevant authority;
7. The development of this land shall not interfere with the rights of the existing timber and/or mining licensee to fell and extract timber or to extract mineral deposit within the respective licensee's authorised area of operation;
8. The proprietor is required under the Natural Resources and Environment (Prescribed Activities) Order, 1994 to undertake an Environmental Impact Assessment Study on the area prior to project implementation and to submit ten (10) copies of the report to the Secretary, Natural Resources and Environment Board;
9. No transfer affecting this land may be effected without the consent in writing of the Director of Lands and Surveys;
10. No sublease affecting this land may be effected without the consent in writing of the Director of Lands and Surveys during the initial period of five (5) years from the date of registration of this lease;
11. The proprietor shall commence field planting within three (3) years of the issue of this lease and shall complete at least fifty percent of the planting of the nett plantable area at the end of the seventh year. The whole of the nett plantable area shall be fully planted by the end of the tenth year from the date of the issue of this lease;
12. The observance of condition 11 shall be enforced by the Minister for the time being responsible for Land Development or any agents duly authorised by him in writing in that behalf and the Minister or the agents so appointed shall have the rights of access to the land at all reasonable time;
13. A breach or a default in the observance of any or all the conditions specified above shall render the land liable to forfeiture and the Superintendent or other officer authorised by him may, on behalf of the Government, declare the estate or interest secured by that document of title to be forfeited and re-enter the land or the portion thereof in respect of which the breach or default occurs in accordance with Section 33(1) of the Land Code;

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

14. In the event that adjacent areas have been alienated for different crops and crop zoning is not possible, a buffer zone of 200 metres shall be instituted along the common boundary of the estates. No drain shall be built within the distance of 200 metres from each side of the estate's boundary. Activities carried out within this buffer zone shall be limited and have to be approved by the Plantation Land Committee or any designated authority; and
15. Prior to commercial development of peat soils, the project proponent shall carry out a survey and submit a report on the peat depth and long term drainability of the proposed project area.

Item No. 3

1. Upon the completion of a proper survey of the land the holder of this provisional lease will be given a lease in accordance with the provisions of the Land Code, and subject to the following express conditions and restrictions:
 - i. This land shall be used only for agricultural purposes and purposes incidental to the production and processing of crops grown thereon and such other purposes as may be from time to time approved by the Director of Lands and Surveys;
 - ii. All points of ingress to and egress from any trunk road shall be subject to the approval in writing of the Director of Lands and Surveys which approval shall be obtained prior to the commencement of construction and/or use of such point of ingress or egress;
 - iii. No building shall be erected within a distance of 300 feet from the edge of the road reserve without the prior authority in writing of the Director of Lands and Surveys;
 - iv. The lessee shall not be entitled to a lease for any of the land included in this provisional lease which may be required for the purpose of a road reserve;
 - v. The proprietor shall not disturb the land within the sixty-six feet reserve along the bank of navigable river or stream;
 - vi. No transfer affecting this land may be effected without the consent in writing of the Director of Lands and Surveys;
 - vii. No sublease affecting this land may be effected without the consent in writing of the Director of Lands and Surveys during the initial period of five (5) years from the date of registration of this lease;
 - viii. The proprietor shall commence field planting within three (3) years of the issue of this lease and shall complete at least fifty percent of the planting of the nett plantable area at the end of the seventh year. The whole of the nett plantable area shall be fully planted by the end of the tenth year from the date of the issue of this lease;
 - ix. The observance of condition (viii) shall be enforced by the Minister for the time being responsible for Land Development or any agents duly authorised by him in writing in that behalf and the Minister or the agents so appointed shall have the rights of access to the land at all reasonable time; and

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

- x. A breach or a default in the observance of any or all the conditions specified above shall render the land liable to forfeiture and the Superintendent or other officer authorised by him may, on behalf of the Government, declare the estate or interest secured by that document of title to be forfeited and re-enter the land or the portion thereof in respect of which the breach or default occurs in accordance with Section 33(1) of the Land Code.
- 2. The term of years for which any such lease shall be granted shall be the balance then remaining of the term of sixty (60) years from the date of this provisional lease; and
- 3. The holder of this provisional lease shall not be entitled to a lease of an area equal to the area above stated but only to such an area as the survey shows to be available.

Item No. 4

- 1. Upon the completion of a proper survey of the land the holder of this provisional lease will be given a lease in accordance with the provisions of the Land Code, and subject to the following express conditions and restrictions (including any modifications of implied conditions and restrictions):
 - i. This land shall be used only for agricultural purposes and purposes incidental to the production and processing of crops grown thereon and such other purposes as may be from time to time approved by the Director of Lands and Surveys;
 - ii. No building shall be erected within a distance of 300 feet from the edge of the road reserve without the prior authority in writing of the Director of Lands and Surveys;
 - iii. The lessee shall not be entitled to a lease for any of the land included in this provisional lease which may be required for the purpose of road reserve;
 - iv. The proprietor shall not disturb the land within the sixty-six feet reserve along the bank of navigable river or stream;
 - v. No transfer affecting this land may be effected without the consent in writing of the Director of Lands and Surveys;
 - vi. No sublease affecting this land may be effected without the consent in writing of the Director of Lands and Surveys during the initial period of five (5) years from the date of registration of this lease;
 - vii. The proprietor shall commence field planting within three (3) years of the issue of this lease and shall complete at least fifty percent of the planting of the nett plantable area at the end of the seventh year. The whole of the nett plantable area shall be fully planted by the end of the tenth year from the date of the issue of this lease;
 - viii. The observance of condition (vii) shall be enforced by the Minister for the time being responsible for Land Development or any agents duly authorised by him in writing in that behalf and the Minister or the agents so appointed shall have the rights of access to the land at all reasonable time; and

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

- ix. A breach or a default in the observance of any or all the conditions specified above shall render the land liable to forfeiture and the Superintendent or other officer authorised by him may, on behalf of the Government, declare the estate or interest secured by that document of title to be forfeited and re-enter the land or the portion thereof in respect of which the breach or default occurs in accordance with Section 33(1) of the Land Code;
- 2. The term of years for which any such lease shall be granted shall be the balance then remaining of the term of sixty (60) years from the date of this provisional lease; and
- 3. The holder of this provisional lease shall not be entitled to a lease of an area equal to the area above stated but only to such an area as the survey shows to be available.

Item No. 5

- 1. Upon the completion of a proper survey of the land the holder of this provisional lease will be given a lease in accordance with the provisions of the Land Code, and subject to the following express conditions and restrictions:
 - i. This land shall be used only for agricultural purposes and purposes incidental to the production and processing of crops grown thereon and such other purposes as may be from time to time approved by the Director of Lands and Surveys;
 - ii. All points of ingress to and egress from any trunk road shall be subject to the approval in writing of the Director of Lands and Surveys which approval shall be obtained prior to the commencement of construction and/or use of such point of ingress or egress;
 - iii. The lessee shall not be entitled to a lease for any of the land included in this provisional lease which may be required for the purpose of road reserve;
 - iv. The proprietor shall not disturb the land within the sixty-six feet reserve along the bank of navigable river or stream;
 - v. The proprietor shall have no rights to extract timber or mineral deposits from the land without an appropriate licence issued by the relevant authority;
 - vi. The development of this land shall not interfere with the rights of the existing timber and/or mining licensee to fell and extract timber or to extract mineral deposit within the respective licensee's authorised area of operation;
 - vii. The proprietor is required under the Natural Resource and Environment (Prescribed Activities) Order, 1994 to undertake an Environmental Impact Assessment Study on the area prior to project implementation and to submit ten (10) copies of the report to the Secretary, Natural Resources and Environment Board;
 - viii. In the event that adjacent area have been alienated for different crop and crop zoning is not possible, a buffer zone of 200 metres shall be instituted along the common boundary of the estates. No drain shall be built within the distance of 200 metres from each side of the estate's boundary. Activities carried out within this buffer zone shall be limited and have to be approved by the Plantation Land Committee or any designated authority;

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

- ix. Prior to commercial development of peat soils, the project proponent shall carry out a survey and submit a report on the peat depth and long term drainability of the proposed project area. (This is in addition to the EIA Report);
 - x. No transfer affecting this land may be effected without the consent in writing of the Director of Lands and Surveys;
 - xi. No sublease affecting this land may be effected without the consent in writing of the Director of Lands and Surveys during the initial period of five (5) years from the date of the registration of this lease;
 - xii. The proprietor shall commence field planting within three (3) years of issue of lease and shall complete at least fifty percent of the planting of the nett plantable area at the end of the seventh year. The whole of the nett plantable area shall be fully planted by the end of the tenth year from the date of the issue of this lease;
 - xiii. The observance of condition (xii) shall be enforced by the Minister for the time being responsible for Land Development or any agents duly authorised by him in writing in that behalf and the Minister or the agents so appointed shall have the rights of access to the land at all reasonable time; and
 - xiv. A breach or a default in the observance of any or all the conditions specified above shall render the land liable to forfeiture and the Superintendent or other officer authorised by him may, on behalf of the Government, declare the estate or interest secured by that document of title to be forfeited and re-enter the land or the portion thereof in respect of which the breach or default occurs in accordance with Section 33(1) of the Land Code;
- 2. The term of years for which any such lease shall be granted shall be the balance then remaining of the term of sixty (60) years from the date of this provisional lease; and
 - 3. The holder of this provisional lease shall not be entitled to a lease of an area equal to the area above stated but only to such an area as the survey shows to be available.

Item No. 6

- 1. This land is to be used only for the purpose of a dwelling house and necessary appurtenances thereto; and
- 2. (rescinded in 1998)
- 3. No dealing affecting this land may be effected without the consent in writing of the Director of Lands and Surveys.

Item No. 7

- 1. Upon the completion of a proper survey of the land the holder of this provisional lease will be given a lease in accordance with the provisions of the Land Code, and subject to the following express conditions and restrictions:
 - i. This land shall be used only for agricultural purposes and purposes incidental to the production and processing of crops grown thereon and such other purposes as may be from time to time approved by the Director of Lands and Surveys;

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

- ii. No building shall be erected within a distance of 300 feet from the edge of the road reserve without the prior authority in writing of the Director of Lands and Surveys;
- iii. All points of ingress to and egress from any trunk road shall be subject to the approval in writing of the Director of Lands and Surveys which approval shall be obtained prior to the commencement of construction and/or use of such point of ingress or egress;
- iv. The lessee shall not be entitled to a lease for any of the land included in this provisional lease which may be required for the purpose of road reserve;
- v. The proprietor shall not disturb the land within the sixty-six feet reserve along the bank of navigable river or stream;
- vi. The proprietor shall have no rights to extract timber or mineral deposits from the land without an appropriate licence issued by the relevant authority;
- vii. The development of this land shall not interfere with the rights of the existing timber and/or mining licensee to fell and extract timber or to extract mineral deposit within the respective licensee's authorised area of operation;
- viii. The proprietor is required under the Natural Resource and Environment (Prescribed Activities) Order, 1994 to undertake an Environmental Impact Assessment Study on the area prior to project implementation and to submit ten (10) copies of the report to the Secretary, Natural Resource and Environment Board;
- ix. No transfer affecting this land may be effected without the consent in writing of the Director of Lands and Surveys;
- x. No sublease affecting this land may be effected without the consent in writing of the Director of Lands and Surveys during the initial period of five (5) years from the date of registration of this lease;
- xi. The proprietor shall commence field planting within two (2) years of issue of this lease. The whole of the plantable area shall be fully planted by the end of the fifth year from the date of the issue of this lease;
- xii. The observance of the condition (xi) shall be enforced by the Minister for the time being responsible for Land Development or any agents duly authorised by him in writing in that behalf and the Minister or the agents so appointed shall have the rights of access to the land at all reasonable time;
- xiii. A breach or a default in the observance of any or all the conditions specified above shall render the land liable to forfeiture and the Superintendent or other officer authorised by him may, on behalf of the Government, declare the estate or interest secured by that document of title to be forfeited and re-enter the land or the portion thereof in respect of which the breach or default occurs in accordance with Section 33(1) of the Land Code;

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

- xiv. In the event that adjacent areas have been alienated for different crop and crop zoning is not possible, a buffer zone of 200 metres shall be instituted along the common boundary of the estates. No drain shall be built within the distance of 200 metres from each side of the estate boundary. Activities carried out within this buffer zone shall be limited and have to be approved by the Land Plantation Committee or any designated authority; and
 - xv. Prior to commercial development of peat soils, the project proponent shall carry out a survey and submit a report on the peat depth and long term drainability of the proposed project area.
- 2. The term of years for which any such lease shall be granted shall be the balance then remaining of the term of sixty (60) years from the date of this provisional lease; and
 - 3. The holder of this provisional lease shall not be entitled to a lease of an area equal to the area above stated but only to such an area as the survey shows to be available.

Item No. 8

- 1. This land is to be used only for industrial purposes;
- 2. Any alteration to the existing building on this land or any new building to be erected thereon shall be in accordance with plans sections and elevations approved by the Superintendent of Lands and Surveys, Second Division and shall also be in accordance with detailed drawings and specification approved by the Batang Lupar District Council and shall be completed within one year from the date of such approval by the Council; and
- 3. No dealing affecting this land may be effected without the consent in writing of the Director of Lands and Surveys.

Item No. 9

- 1. This land is to be used only for the purpose of a dwelling house and necessary appurtenances thereto;
- 2. Any alteration to the existing building on this land or any new building to be erected thereon shall be in accordance with plans sections and elevations approved by the Superintendent of Lands and Surveys, Second Division and shall also be in accordance with detailed drawings and specifications approved by the Batang Lupar District Council and shall be completed within one (1) year from the date of such approval by the Council; and
- 3. No dealing affecting this land may be effected without the consent in writing of the Director of Lands and Surveys.

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Item No. 10

1. Upon the completion of a proper survey of the land the holder of this provisional lease will be given a lease in accordance with the provisions of the Land Code, and subject to the following express conditions and restrictions (including any modifications of implied conditions and restrictions):
 - i. This land shall be used only for agricultural purposes and purposes incidental to the production and processing of crops grown thereon and such other purposes as may be from time to time approved by the Director of Lands and Surveys;
 - ii. All points of ingress to and egress from any trunk road shall be subject to the approval in writing of the Director of Lands and Surveys which approval shall be obtained prior to the commencement of construction and/or use of such point of ingress or egress;
 - iii. The lessee shall not be entitled to a lease for any of the land included in this provisional lease which may be required for the purpose of road reserve;
 - iv. The proprietor shall not disturb the land, within the sixty-six feet reserve, along the bank of navigable river or stream;
 - v. No transfer affecting this land may be effected without the consent in writing of the Director of Lands and Surveys;
 - vi. No sublease affecting this land may be effected without the consent in writing of the Director of Lands and Surveys during the initial period of five (5) years from the date of the registration of this lease;
 - vii. The proprietor shall commence field planting within three (3) years of the issue of this lease and shall complete at least fifty percent of the planting of the next plantable area at the end of the seventh year. The whole of the net plantable area shall be fully planted by the end of the tenth year from the date of the issue of this lease;
 - viii. The observance of condition (vii) shall be enforced by the Minister for the time being responsible for Land Development or any agents duly authorised by him in writing in that behalf and the Minister or the agents so appointed shall have the rights of access to the land at all reasonable time; and
 - ix. A breach or a default in the observance of any or all the conditions specified above shall render the land liable to forfeiture and the Superintendent or other officer authorised by him may, on behalf of the Government, declare the estate or interest secured by that document of title to be forfeited and re-enter the land or the portion thereof of which the breach or default occurs in accordance with Section 33(1) of the Land Code;
2. The term of years for which any such lease shall be granted shall be the balance then remaining of the term of sixty (60) years from the date of this provisional lease; and
3. The holder of this provisional lease shall not be entitled to a lease of an area equal to the area above stated but only to such an area as the survey shows as to be available.

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Item No. 11

1. Upon the completion of a proper survey of the land the holder of this provisional lease will be given a lease in accordance with the provisions of the Land Code, and subject to the following express conditions and restrictions (including any modifications of implied conditions and restrictions):
 - i. This land shall be used only for agricultural purposes and purposes incidental to the production and processing of crops grown thereon and such other purposes as may be from time to time approved by the Director of Lands and Surveys;
 - ii. All points of ingress to and egress from any trunk road shall be subject to the approval in writing of the Director of Lands and Surveys which approval shall be obtained prior to the commencement of construction and/or use of such point of ingress or egress;
 - iii. The lessee shall not be entitled to a lease for any of the land included in this provisional lease which may be required for the purpose of road reserve;
 - iv. The proprietor shall not disturb the land within the sixty-six feet reserve along the bank of navigable river or stream;
 - v. No transfer affecting this land may be effected without the consent in writing of the Director of Lands and Surveys;
 - vi. No sublease affecting this land may be effected without the consent in writing of the Director of Lands and Surveys during the initial period of five (5) years from 12.6.1989;
 - vii. The proprietor shall commence field planting within three (3) years from 12.6.1989 and shall complete at least fifty percent of the planting of the nett plantable area by 11.6.1996. The whole of the nett plantable area shall be fully planted by the end of the tenth year from 12.6.1989;
 - viii. The observance of condition (vii) shall be enforced by the Minister for the time being responsible for Land Development or any agents duly authorised by him in writing in that behalf and the Minister or the agents so appointed shall have the rights of access to the land at all reasonable time;
 - ix. A breach or a default in the observance of any or all the conditions specified above shall render the land liable to forfeiture and the Superintendent or other officer authorised by him may, on behalf of the Government, declare the estate or interest secured by that document of title to be forfeited and re-enter the land or the portion thereof in respect of which the breach or default occurs in accordance with Section 33(1) of the Land Code;
2. The term of years for which any such lease shall be granted shall be the balance then remaining of the term of sixty (60) years from the date of this provisional lease; and
3. The holder of this provisional lease shall not be entitled to a lease of an area equal to the area above stated but only to such an area as the survey shows to be available.

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Item No. 12

1. Upon the completion of a proper survey of the land the holder of this provisional lease will be given a lease in accordance with the provisions of the Land Code, and subject to the following express conditions and restrictions (including any modification of implied conditions and restrictions):
 - i. This land shall be used only for agricultural purposes and purposes incidental to the production and processing of crops grown thereon and such other purposes as may be from time to time approved by the Director of Lands and Surveys;
 - ii. All points of ingress to and egress from any trunk road shall be subject to the approval in writing of the Director of Lands and Surveys which approval shall be obtained prior to the commencement of construction and/or use of such point of ingress of egress;
 - iii. The lessee shall not be entitled to a lease for any of the land included in this provisional lease which may be required for the purpose of road reserve;
 - iv. The proprietor shall not disturb the land within the sixty-six feet reserve along the bank of navigable river or stream;
 - v. No transfer affecting this land may be effected without the consent in writing of the Director of Lands and Surveys;
 - vi. No sublease affecting this land may be effected without the consent in writing of the Director of Lands and Surveys during the initial period of five (5) years from 12th day of June, 1989;
 - vii. The proprietor shall commence field planting within three (3) years of issue of lease and shall complete at least fifty percent of the planting of the nett plantable area at the end of the seventh year. The whole of the net plantable area shall be fully planted by the end of the tenth year from 12.6.1989;
 - viii. The observance of condition (vii) shall be enforced by the Minister for the time being responsible for Land Development or any agents duly authorised by him in writing in that behalf and the Minister or the agents so appointed shall have the rights of access to the land at all reasonable time; and
 - ix. A breach or a default in the observance of any or all the conditions specified above shall render the land liable to forfeiture and the Superintendent or other officer authorised by him may, on behalf of the Government, declare the estate or interest secured by that document of title to be forfeited and re-enter the land or the portion thereof in respect of which the breach or default occurs in accordance with Section 33(1) of the Land Code;
2. The term of years for which any such lease shall be granted shall be the balance then remaining of term of sixty (60) years from 12th day of June 1989; and
3. The holder of this provisional lease shall not be entitled to a lease of an area equal to the area above stated but only to such an area as the survey shows to be available.

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Item No. 13

1. This land is to be used only for industrial purposes; and
2. Any alternation to the existing building on this land or any new building to be erected thereon shall be in accordance with plans sections and elevations approved by the Superintendent of Lands and Surveys, Kuching Division and shall also be in accordance with detailed drawings and specifications approved by The Commissioner of the City of Kuching North and shall be completed within one (1) year from the date of such approval by the Commissioner.

Item No. 14

1. This land is to be used only for the purpose of a dwelling house and necessary appurtenances thereto;
2. The development or re-development of this land shall be in accordance with plans sections and elevations approved by the Superintendent of Lands and Surveys, Bintulu Division;
3. The erection of a building shall be in accordance with detailed drawings and specifications approved by the Bintulu Development Authority and shall be completed within eighteen (18) months from the date of registration of this lease;
4. No transfer affecting this land may be effected without the consent in writing of the Director of Lands and Surveys; and
5. No sublease affecting this land may be effected without the consent in writing of the Director of Lands and Surveys during the initial period of five (5) years from the date of the registration of this lease.

Item No. 15

1. This lease is issued by virtue of a special direction of the Minister for the time being responsible for land under Section 38 of the Land Code and this land shall be Mixed Zone Land during the continuance of this lease;
2. This land is to be used only for industrial purposes;
3. The development of this land shall be in accordance with plans sections and elevations approved by the Superintendent of Lands and Surveys, Fourth Division;
4. The erection of a building or buildings on this land shall be in accordance with detailed drawings and specifications approved by the Miri District Council and shall be completed within two (2) years from the date of registration of this lease;
5. No subdivision or partition of this land may be effected; and
6. No dealing affecting this land may be effected without the consent in writing of the Director of Lands and Surveys, during the initial period of ten (10) years from the date of registration of this lease.

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

Item No. 16

1. This land is to be used only for industrial purposes; and
2. The erection of buildings in accordance with plans and specifications approved by the Sarikei District Council shall be completed within eighteen (18) months from the date of registration of this lease.

Item No.17

1. This land is to be used only for transit bulking installation purposes; and
2. No dealing affecting this land may be effected without the consent in writing of the Minister for the time being responsible for land.

Item No. 18

1. This land is to be used only as a 6-storey terraced building for commercial purposes in the manner following:

Ground Floor : Commercial

First Floor : Commercial

Second Floor : Commercial

Third Floor : Commercial

Fourth Floor : Commercial

Fifth Floor : Commercial; and
2. Any alternation to the existing building on this land or any new building to be erected thereon shall be in accordance with plans sections and elevations approved by the Superintendent of Lands and Surveys, Miri Division and shall also be in accordance with detailed drawings and specification approved by the Miri Municipal Council and shall be completed within one year from the date of such approval by the Council.

Item No. 19

1. This land is to be used only as a 6-storey terraced building for office purposes in the manner following:

Ground Floor : Office

First Floor : Office

Second Floor : Office

Third Floor : Office

Fourth Floor : Office

Fifth Floor : Office and Staff Quarters; and

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

2. Any alternation to the existing building on this land or any new building to be erected thereon shall be in accordance with plans sections and elevations approved by the Superintendent of Lands and Surveys, Miri Division and shall also be in accordance with detailed drawings and specifications approved by the Miri Municipal Council and shall be completed within one year from the date of such approval by the Council.

Item No. 20

1. The statutory river reserve comprised in this lease is alienated by virtue of a special direction of the Minister for the time being responsible for land under Section 38 of the Land Code and the said reserve shall be Mixed Zone Land during the continuance of this lease;
2. This land is to be used only for residential purposes or for such other purposes as may be approved by the Director of Lands and Surveys in conformity with the plan of development approved under condition (3) hereof;
3. The development and use of this land shall be in accordance with a plan of development approved by the Director of Lands and Surveys and shall be completed within a period five (5) years from 22.10.1994 and which period has been extended to expire on 21.10.2004; and
4. No subdivision of this land may be effected except in accordance with a plan of development approved under condition (3) hereof, and upon subdivision, the Director of Lands and Surveys shall impose appropriate conditions on the subdivisional leases in accordance with the said plan of development.

Item No. 21

1. This land is to be used only for the purpose of office building and research centre;
2. The development or re-development of this land shall be in accordance with plans sections and elevations approved by the Superintendent of Lands and Surveys, Kuching Division;
3. The erection of a building or buildings on this land shall be in accordance with detailed drawings and specifications approved by The Commissioner of the City of Kuching North and shall be completed within twenty-four (24) months from the date of registration of this lease;
4. No transfer affecting this land may be effected without the consent in writing of the Director of Lands and Surveys; and
5. No sublease affecting this land may be effected without the consent in writing of the Director of Lands and Surveys during the initial period of five (5) years from the date of registration of this lease.

Item No. 22

1. This land is to be used only as a 11 storey detached building for commercial, office and penthouse purposes in the manner following: Lower Ground Floor: Car Parks Upper Ground Floor: Commercial First to Ninth floor: Office Lower Tenth Floor: Office Upper Tenth Floor: Penthouse; and

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

2. Any alternation to the existing building on this land or any new building to be erected thereon shall be in accordance with plans sections and elevations approved by the Superintendent of Lands and Surveys, Kuching Division and shall also be in accordance with detailed drawings and specifications approved by the Council of the City of Kuching South and shall be completed within one (1) year from the date of such approval by the Council.

Item No. 23

1. This land is to be used only for bulk oil storage purposes, but the erection of quarters for key personnel may be allowed on the land;
2. The development of this land shall be in accordance with plans sections and elevations approved by the Director of Lands and Surveys;
3. All installations (including the installations of storage facilities) and buildings to be erected on this land shall be in accordance with detailed drawings and specifications approved by the Bintulu Development Authority and shall be completed within two years from the date of the registration of the lease; and
4. No dealing affecting this land may be effected without the consent in writing of the Director of Lands and Surveys.

12.2 Joint venture agreement for the NCR project

On 26 October 1999, the State Government and certain Penan community of Kampung Jambatan Suai (the "**NCR Owners**") who are in occupation and having native customary rights over all that parcel of land known as Jambatan Suai located at Lot 61 and Lot 1 Block 22, both of Sawai Land District ("**Sawai Land**") agreed that the Sawai Land shall be developed into an oil palm plantation for the benefit of the NCR Owners. The Sawai Land measures approximately 2,128 Ha. For the purpose of this NCR Project, the State Government nominated SLDB for appointment by the NCR Owners to act as trustee for and on their behalf for the development of the Sawai Land.

By a Joint Venture Agreement dated 26 October 1999 ("**JVA**"), we assisted and collaborated with SLDB to develop the Sawai Land into an oil palm plantation. For purposes of implementing this NCR Project, our Group and SLDB incorporated a joint venture company named Titian Tepat Sdn Bhd ("**TTSB**"), which is currently our 60% subsidiary.

Pursuant to the JVA, SLDB undertook to procure the alienation of the Sawai Land by the State Government to TTSB for a term of not less than 60 years and upon the terms and subject to the conditions as the State Government may impose under the Sarawak Land Code.

Further, in consideration of SLDB procuring the alienation of the Sawai Land, TTSB shall pay RM2,660,000 to SLDB. TTSB had in 1999 paid RM1,862,000 to SLDB and the balance of RM798,000 will only be paid to SLDB when the process of issuance of document of title is finalised.

Based on the JVA, our Group has developed the Sawai Land into an oil palm plantation. TTSB has been harvesting the FFB since 2002 and selling to third parties and providing the FFB to Niah Mill.

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

On 13 January 2005, SLDB assigned all its rights and obligations to Pelita Holdings Sdn Bhd via a Deed of Assignment. Having taken over all the rights and obligations of SLDB, as at the date of this Prospectus, Pelita Holdings Sdn Bhd is in the process of procuring alienation of the Sawai Land to TTSB.

Based on the legal opinion by Messrs. Alvin Chong & Partners Advocates dated 23 November 2006, the JVA is valid as the State Government has given its approval to SLDB to be the trustee of the Penan community while we are the approved joint venture partner. Therefore, the terms of the JVA entitles TTSB the authority to develop the Sawai Land giving TTSB contractual rights to share in the profits arising from the operations of the oil palm plantation carried out in the said land.

12.3 Material plant and equipment

Information on material plant and equipment used by our Group are as set out below:

(i) Mukah Mill

No.	Description	Registered asset no.	Capacity	Net book value as at 31.03.2007 (RM)
1.	Boiler No. 1	05-049-00014	12,100 kg/hour	1.00
2.	Boiler No. 2	05-049-00025	12,100 kg/hour	1.00
3.	Boiler No. 3	6A BLR000VK	35,000 kg/hour	1,475,927.00
4.	Turbo-generator 1 (Elliot Turbine)	GENOOO1ST	1549 KW, 1875 KVA	354,941.00
5.	Turbo-generator 2 (KKK Turbine)	05-882-03201	850 KW, 1100 KVA	1.00
6.	Diesel Engine Generator 3 (Caterpillar)	GEN0001DS	520 KW, 650 KVA	215,408.00
7.	Oil Purifier 2 (PAPX 207)	05-623-00027	4 m ³ /hour	1.00
8.	Oil Purifier 3 (PAPX 307 SGD-11G)	6A SPT0001 PL	8 m ³ /hour	80,656.00
9.	Oil Separator 2 (Alfa Laval PASX 4107)	05-691-00021	8 m ³ /hour	1.00
10.	Oil Separator 3 (Stork)	05-882-02571	6,000 litre/hour	1.00
11.	Decanter 1 (Alfa Laval NX 50 CS)	DCN0001CS	25,000 litre/hour	330,000.00
12.	Decanter 2 (Alfa Laval NX 50 CS)	DCN0002CS	25,000 litre/hour	330,000.00
13.	Screw Presses B1	SCP0001PS	20 tonnes FFB/hour	79,173.30
14.	Screw Presses B2	SCP0002PS	20 tonnes FFB/hour	79,173.30
15.	Screw Presses B3	SCP0003PS	20 tonnes FFB/hour	79,173.29

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

No.	Description	Registered asset no.	Capacity	Net book value as at 31.03.2007 (RM)
16.	CPO storage Tanks 1	05-723-00068	500 MT	1.00
17.	CPO storage Tanks 2	05-723-00046	1,000 MT	1.00
18.	CPO storage Tanks 3	05-723-00079	1,000 MT	1.00
19.	CPO storage Tanks 4	TNK0001CP	2,000 MT	285,244.83
20.	CPO storage Tanks 5	TNK0002CP	2,000 MT	285,244.84
21.	Kernel bulk silo	SLB0001KB	300 MT	382,605.59
22.	Weighbridge 1	05-841-00143	50 MT	1.00
23.	Weighbridge 2	05-841-00198	50 MT	28,600.76
24.	Water treatment plant	Consist of various equipment	100 m ³ /hour	343,125.00
25.	Effluent Treatment Plant	Consist of various equipment	60 tph	488,088.92
26.	FFB Loading Ramp	RAM0001LD	150 MT	596,868.38
27.	Water Reservoir	Not applicable	Not applicable	262,511.00
28.	Sterilizer 1	STZ0001VS	7 nos. x 7.5 MT FFB cage	303,003.13
29.	Sterilizer 2	STZ0002VS	7 nos. x 7.5 MT FFB cage	303,003.13
30.	Sterilizer 3	STZ0003GN	7 nos. x 7.5 MT FFB cage	300,656.00
31.	Auto Brush Strainer	BSN0001AT	20 m ³ /hour@0.05 bar	11,266.00
32.	Auto Brush Strainer	BSN0002AT	20 m ³ /hour@0.05 bar	11,266.00
33.	Auto Desanding System	DSS0001AT	30 m ³ /hour	10,822.00
34.	Auto Desanding System	DSS0002AT	30 m ³ /hour	10,822.00
35.	Drive Mechanism for Tippler	DVM0001GM	7.5m FFB Cage	24,172.00
36.	Induced Draft Fan	FAN0002DF	For boiler H375 of 25,000 lb/hr	42,850.00
37.	Chimney for Boiler H375	CIM0002GN	For boiler H375 of 25,000 lb/hr	74,338.00
38.	Multicyclone Dust Collector for Boiler	CYC0002GN	For boiler H375 of 25,000 lb/hr	52,874.00
39.	Ducting for Boiler H375	DUC0001BI	For boiler H375 of 25,000 lb/hr	66,874.00

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

No.	Description	Registered asset no.	Capacity	Net book value as at 31.03.2007 (RM)
40.	Tubes for Boiler H375	TUB0002BI	For boiler H375 of 25,000 lb/hr	278,270.00
41.	Steel Structure for Boiler H375	STC0001BI	For boiler H375 of 25,000 lb/hr	32,664.00

(ii) Niah Mill

No.	Description	Registered asset no.	Capacity	Net book value as at 31.03.2007 (RM)
1.	Boiler No. 1	05-049-00047	20000 lb/hour	1.00
2.	Boiler No. 2	05-049-00058	20000 lb/hour	1.00
3.	Boiler No. 3	05-049-00069	40000 lb/hour	1.00
4.	Boiler No. 4	05-049-00150	40000 lb/hour	1.00
5.	Turbo-Generator 1	05-733-00052	850 KW	1.00
6.	Turbo-Generator 2	05-882-04292	1.2 MW	7,528.07
7.	Diesel Engine Generator 1	05-241-00437	400 KW	1.00
8.	Diesel Engine Generator 2	05-241-00141	150 KW	1.00
9.	Diesel Engine Generator 3	05-241-00150	150 KW	1.00
10.	Oil Purifier 1	05-882-04535	7 tonnes/hour	7,125.89
11.	Oil Purifier 2	05-623-00038	2.5 tonnes/hour	1.00
12.	Oil Purifier 3	05-623-00049	2.5 tonnes/hour	1.00
13.	Oil Separator 1	05-691-00054	6 tonnes/hour	1.00
14.	Oil Separator 2	05-691-00065	6 tonnes/hour	1.00
15.	Oil Separator 3	05-691-00076	6 tonnes/hour	1.00
16.	Screwpresses A1	05-678-00012	10 tonnes/hour	1.00
17.	Screwpresses A2	05-678-00023	10 tonnes/hour	1.00
18.	Screwpresses A4	05-678-00034	10 tonnes/hour	1.00
19.	Screwpresses B1	05-099-00022	15 tonnes/hour	4,690.62
20.	Screwpresses B2	05-678-00161	15 tonnes/hour	1,500.98
21.	Screwpresses B3	05-678-00170	15 tonnes/hour	1,500.98
22.	CPO storage tanks 1	05-723-00171	500 MT	1.00
23.	CPO storage tanks 2	05-723-00151	1,000 MT	1.00

12. OTHER INFORMATION ON OUR GROUP (Cont'd)

No.	Description	Registered asset no.	Capacity	Net book value as at 31.03.2007 (RM)
24.	CPO storage tanks 3	05-723-00182	500 MT	1.00
25.	CPO storage tanks 4	05-723-00160	1,000 MT	1.00
26.	CPO storage tanks 5	05-723-00471	1,500 MT	1.00
27.	Kernel bulk silo	05-320-00394	200 MT	44,952.25
28.	Weighbridge 1	05-842-00097	50 MT	1.00
29.	Weighbridge 2	05-841-00202	50 MT	25,850.76
30.	Water treatment plant	Consist of various equipment	569 m ³ per day	1.00
31.	Effluent treatment plant	Consist of various equipment	60 tonnes/hour	37,800.00
32.	FFB loading ramp	05-882-05790	480 MT	198,616.59
33.	Water reservoir	Not applicable	Not applicable	466,832.00
34.	Sterilizer 1	05-689-00226	11 x 2.5 tonnes	138,945.89
35.	Sterilizer 2	05-689-00237	11 x 2.5 tonnes	138,945.89
36.	Sterilizer 3	05-689-00215	11 x 2.5 tonnes	138,945.89
37.	Sterilizer 4	05-689-00248	11 x 2.5 tonnes	138,945.89
38.	CPO Storage Tank No. 6	TNK0003CP	2,000 MT	401,439.00
39.	CPO Storage Tank No. 7	TNK0004CP	2,000 MT	401,439.00
40.	Thresher Drum	TDR0001TR	50 MT per hour	69,122.00
41.	Fibre Cyclone	CYC0001FC	45 MT per hour	40,790.00
42.	MTP Pump	PMP0003MP	30 m ³ per hour	15,541.00
43.	MTP Pump	PMP0004MP	30 m ³ per hour	15,541.00
44.	Tubes for Boiler No. 2 PMD2451	TUB0001BI	For boiler PMD2451 of 20,000 lb/hr	248,307.00

13. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST

13.1 Related party transactions

13.1.1 Recurrent related party transactions

Our Company and our subsidiaries, in the ordinary course of business, enters into transactions that are of revenue or trading in nature with certain related parties of our substantial shareholders and/or Directors ("**Recurrent Transactions**"), which are necessary for our day-to-day operations. Such Recurrent Transactions are carried out and will be carried out on an arm's length basis and on commercial terms which are not more favourable to the related parties than those generally available to third parties and which will not be detrimental to our minority shareholders.

We will make disclosures in our annual report of the aggregate value of transactions conducted based on the nature of Recurrent Transactions made, names of the related parties involved and their relationship with our Company and our subsidiaries.

Save as disclosed below and Sections 9.6.2 and 12.2, as at the Latest Practicable Date, we do not have any existing or potential Recurrent Transactions, entered or to be entered by us and our Directors, substantial shareholders, key management personnel and/or persons connected to them in respect of the past three (3) financial years ended 31 December 2006, three (3) months financial period ended 31 March 2007 and the forecast financial year ending 31 December 2007.

		<-----Transaction value----->						
		<-----Financial year ended---->			Three (3) months period ended 31 March 2007	Forecast year ending 2007 ⁽¹⁾		
		2004	2005	2006	RM 000	RM 000	RM 000	RM 000
		RM 000	RM 000	RM 000	RM 000	RM 000	RM 000	RM 000
Tinta Emas (Perkhidmatan Pengurusan dan Korporat) and SPS	The Director of SPS (Haji Mohamad Bolhair) is the spouse of the sole proprietor of Tinta Emas (Perkhidmatan Pengurusan dan Korporat)	Landlord and tenant	72	72	72	18	72	
SGOS Assets Holdings Sdn Bhd (" SGOS ") and SPS ⁽²⁾	Dato Sri Ahmad Tarmizi, who is our Director is also a Director of SGOS	SPS manages an oil palm estate belonging to SGOS	-	283	1,659	121	397	
Wonderland and SPAD	Haji Mohamad Bolhair, a Director of SPAD is also a Director of Wonderland	Wonderland provides transportation services to SPAD	-	-	31	15	150	
Sacofa Sdn Bhd and SPAD	Dato Sri Ahmad Tarmizi, who is our Director is also a Director of Sacofa Sdn Bhd	Landlord and tenant	-	15	16	9	36	
Shell Timur Sdn Bhd and SPAD	Dato Sri Ahmad Tarmizi, who is our Director is also a Director of Shell Timur Sdn Bhd	Shell Timur Sdn Bhd supplies diesel and lubricant to SPAD estate and mills	134	75	16	5	20	
Unique Harvest Sdn Bhd and SPS	Datuk Hasmi, who is our Director is also a substantial shareholder of Unique Harvest Sdn Bhd	Unique Harvest Sdn Bhd provides multi-storey parking facilities to SPS staff	14	14	34	-	34	

13. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

			<-----Transaction value----->				
			<-----Financial year ended----->			Three (3) months period ended 31 March 2007	Forecast year ending 2007 ⁽¹⁾
			2004	2005	2006	RM 000	RM 000
			RM 000	RM 000	RM 000	RM 000	RM 000
Borneo Housing Mortgage Finance Berhad and SPS	Dato Sri Ahmad Tarmizi, who is our Director is also a Director of Borneo Housing Mortgage Finance Berhad	Housing subsidy benefit for SPS employees are paid directly to Borneo Housing Mortgage Finance Berhad	25	10	9	1	9
ASSAR Assets Management Sdn Bhd and SPS ⁽³⁾	Haji Soedirman, who is a Director of SPAD, is also a Director of ASSAR Assets Management Sdn Bhd	Provision of fund management service to SPS	60	11	1	81	150
Noreliza & Associates and SPAD and SPPH	A Director of SPAD and SPPH (Haji Mohamad Bolhair) is the spouse of the sole proprietor of Noreliza & Associates	Provision of legal services	1	6	2	-	-
Danawa Resources Sdn Bhd	Datuk Abdul Hamed and Polit Hamzah who are our Directors are also the Directors of Danawa Resources Sdn Bhd	Acquisition of Wide Area Network (Satellite)	-	-	-	-	440
Edratec Sdn Bhd	Bolhan Berawi, who is our Director, is also the father of the owner of Edratec Sdn Bhd	Repair and maintenance of computers	-	-	-	-	3
Eastern Time Sdn Bhd	Datuk Hasmi, who is our Director, is also the Director of Eastern Time Sdn Bhd	Purchase and advertisement in newspaper	-	-	1	3	12
SLDB and SPS ⁽⁴⁾	SLDB is our corporate shareholder	SPS manages an oil palm estate belonging to SLDB	1,143	43	28	137	548

Notes:

- (1) Estimated transaction value for the financial year ending 31 December 2007.
- (2) The amount of the transaction represents net amount of receipts of proceeds from FFB and payment on behalf for SGOS in relation to the management of the plantation of SGOS. Revenue relating to the management of the plantation would only be taken up in the financial statements upon execution of the management agreement.
- (3) The amount of the transaction represents net profit gained from funds managed by ASSAR Assets Management Sdn Bhd.
- (4) The amount of the transaction represents net amount of receipts of proceeds from FFB and payment on behalf for SLDB in relation to the management of the plantation of SLDB.

13. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

The estimated transaction values are based on the information available and the management's forecasts for the financial year ending 31 December 2007. Due to the nature of the transactions, the actual value of the Recurrent Transactions may vary from the estimated value disclosed above.

13.1.2 Related party transactions

Save as disclosed in Section 13.1.1, as at the Latest Practicable Date, we do not have any other transactions, entered or to be entered by us and our Directors, substantial shareholders, key management personnel and/or persons connected to them in respect of the past three (3) financial years ended 31 December 2006, three (3) months financial period ended 31 March 2007 and the forecast financial year ending 31 December 2007.

13.1.3 Transactions entered into that are unusual in their nature or conditions

There are no unusual transactions in their nature or conditions, involving goods, services, tangible or intangible assets to which our Company or our subsidiaries was a party in respect of the past three (3) financial years ended 31 December 2006 and the beginning of the financial year ending 31 December 2007 up to the date of this Prospectus.

13.1.4 Outstanding loans and guarantees

There are no outstanding loans (including guarantees of any kind) made by our Company and/or our subsidiaries to or for the benefit of our related parties in respect of the past three (3) financial years ended 31 December 2006 and the beginning of the financial year ending 31 December 2007 up to the Latest Practicable Date.

13.1.5 Acquisitions of assets within the past three (3) financial years and up to the date of this Prospectus

None of our Directors or our substantial shareholders has any interest, direct or indirect, in the promotion of, or in any material assets which have been, within the past three (3) financial years ended 31 December 2006 and the beginning of the financial year ending 31 December 2007 up to the date of this Prospectus, acquired or disposed of by or leased to our Company and/or our subsidiaries or proposed to be acquired, disposed of by or leased to our Company and/or our subsidiaries.

13. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)**13.2 Conflict of interest**

Save as disclosed below, none of our Directors or substantial shareholders of our Company has any interest, direct or indirect, in any business carrying on a similar trade as our Group.

	Company	Principal activities	Major markets	Major products	Designation	Shareholding as at 6 July 2007					
						<-----Direct----->	No. of shares held	% held	<-----Indirect----->	No. of shares held	% held
(i)	SFS										
	Green Field Plantation Sdn Bhd	Oil palm plantation	Sarawak	Palm oil products	-	1,215,995	15.00	-	-	-	-
	Melemas Plantation Sdn Bhd	Oil palm plantation	Sarawak	Palm oil products	-	1,485,000	15.00	-	-	-	-
	Novelpac – Puncakdana Plantation Sdn Bhd	Oil palm plantation	Sarawak	Palm oil products	-	187,500	15.00	-	-	-	-
	SOP Plantation (Suai) Sdn Bhd	Oil palm plantation	Sarawak	Palm oil products	-	300,000	15.00	-	-	-	-
	TAMAR Plantation Sdn Bhd	Oil palm plantation	Sarawak	Palm oil products	-	15	15.00	-	-	-	-
	Sebekai Plantation Sdn Bhd	Oil palm plantation	Sarawak	Palm oil products	-	562,500	15.00	-	-	-	-
(ii)	Datuk Abdul Hamed										
	Butrasehari Sdn Bhd	Oil palm plantation	Sarawak	Palm oil products	-	-	-	4,025,000	(4)57.50	-	-
	Ladang Selezu Sdn Bhd	Oil palm plantation	Sarawak	Palm oil products	-	882,000	9.80	-	-	-	-
	Manis Oil Sdn Bhd	Milling of palm oil	Sarawak	Palm oil products	Director	-	-	3,000,000	(1)100.00	-	-

13. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

Company	Principal activities	Major markets	Major products	Designation	Shareholding as at 6 July 2007			
					Direct No. of shares held	% held	Indirect No. of shares held	% held
Medan Sepadu Sdn Bhd	Investment holding. The company holds 30% equity interest in KUB Sepadu Sdn Bhd whereby its principal activity is in cultivation of oil palm	Sarawak	Palm oil products	-	13.04	-	-	
Mega Bumimas Sdn Bhd	Oil palm plantation	Sarawak	Palm oil products	Director	-	2,000,000	(¹)100.00	
Multi Maximum Sdn Bhd	Cultivation of oil palm	Sarawak	Palm oil products	Director	-	850,000	(¹)85.00	
Sebubu Sdn Bhd	Oil palm plantation	Sarawak	Palm oil products	-	9.80	-	-	
Ta Ann Holdings Berhad	Investment holding (cultivation of oil palm and milling of palm oil via its subsidiaries)	Sarawak	Palm oil products	Director	19,671,552	47,685,040	(²)22.22	
Ta Ann Pelita Igan Plantation Sdn Bhd	Cultivation of oil palm	Sarawak	Palm oil products	Director	-	4,500,000	(¹)60.00	
Ta Ann Pelita Silas Plantation Sdn Bhd	Cultivation of oil palm	Sarawak	Palm oil products	Director	-	1,726,474	(¹)60.00	
Ta Ann Plantation Sdn Bhd	Investment holding (cultivation of oil palm and milling of palm oil via its subsidiaries)	Sarawak	Palm oil products	Director	-	1,000,000	(¹)100.00	

13. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

	Company	Principal activities	Major markets	Major products	Designation	Shareholding as at 6 July 2007			
						Direct	Indirect	No. of shares held	% held
(iii)	Datuk Hasmi Medan Sepadu Sdn Bhd	Investment holding. The company holds 30% equity interest in KUB Sepadu Sdn Bhd whereby its principal activity is in cultivation of oil palm	Sarawak	Palm oil products	-	1	200,000	(³)17.39	
(iv)	Haji Chaiti Bau Palm Oil Mill Sdn Bhd Boustead Pelita Kanawit Sdn Bhd Saratok Palm Oil Mill Sdn Bhd	Processing of oil palm products Oil palm plantation Processing of oil palm products	Sarawak Sarawak Sarawak	Palm oil products Palm oil products Palm oil products	Director Director Director	- - -	- - -	- - -	

13. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

Notes:

- (1) *Deemed interest pursuant to Section 6A of the Act by virtue of his interest in Ta Ann Holdings Berhad.*
- (2) *Deemed interest pursuant to Section 6A of the Act by virtue of his interest in Mountex Sdn Bhd, Woodhead Sdn Bhd and Naim Cendera Sdn Bhd.*
- (3) *Deemed interest pursuant to Section 6A of the Act by virtue of his interest in Hasmi & Associates Holdings Sdn Bhd.*
- (4) *Deemed interest pursuant to Section 6A of the Act by virtue of his interest in Woodhead Sdn Bhd and WHS Holdings Sdn Bhd.*

Justification and steps to resolve conflict:**(i) SFS**

SFS has equity interests in all the companies as set out in Section 13.2(i). However, SFS is merely an inactive shareholder in these companies and is not involved in the day-to-day operations of these companies. Its interests are only represented by its nominated Director(s) on the Board of Directors of those companies. However, their appointments as Directors in these companies are not in executive positions.

In addition, oil palm products are commodities whereby the price that an oil palm product can sell is determined by market forces. As such, they are in no position to control the selling price of the oil palm products. In addition, these companies did not supply FFB to our mills in the past and are not expected to do so in the future.

In view of the above, SFS and our Board believe that there is no material situation of conflict of interest that exists in connection with SFS's interests in these companies. In addition, our Board believes that the strong connection of SFS with the backing of the State Government are valuable factors for the growth of our Group and would also enhance our capabilities in overcoming our competitors.

(ii) Datuk Abdul Hamed and Datuk Hasmi

Datuk Abdul Hamed and Datuk Hasmi, our Non-Executive Directors, have equity interests and/or directorships in the companies as set out in Section 13.2(ii) and (iii) respectively. Oil palm products are commodities whereby the price that an oil palm product can sell is determined by market forces. As such, they are in no position to control the selling price of the oil palm products. In addition, these companies did not supply FFB to our mills in the past and are not expected to do so in the future.

In view of the above, Datuk Abdul Hamed, Datuk Hasmi and our Board believe that there is no material situation of conflict of interest that exists in connection with Datuk Abdul Hamed's and Datuk Hasmi's interests in these companies. They have vast experiences in many businesses, in particular Datuk Abdul Hamed who has vast experience in oil palm plantation business and as such, they can share their experiences and give valuable advices to the management of the Group such as guidance and strategic direction to be taken by the Group.

13. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

(iii) Haji Chaiti

Haji Chaiti has directorships in the companies as set out in Section 13.2(iv). However, he is not involved in the day-to-day operations of these companies. Haji Chaiti is on the Board of these companies only to represent the interest of the Ministry of Land Development, Sarawak.

In view of the above, Haji Chaiti and the Board of SPB believe that there is no material situation of conflict of interest that exists in connection with Haji Chaiti's directorships in these companies.

Monitoring and oversight of related party transactions and conflict of interest situations**(i) Measures taken/ to be taken to address and mitigate potential conflict of interest**

Related party transactions, by their very nature, involve a conflict of interest between us and the related parties with whom our Group has entered into such transactions. Any related party transaction or conflict of interest situation involving our Group (including any future related party transaction and conflict of interest situation) must be reviewed by our Audit Committee which would subsequently report to our Board for their further action. If any related party transaction involves any of:

- (a) our Directors and persons connected/ related to them;
- (b) our substantial shareholders and persons connected/ related to them; or
- (c) our Directors and substantial shareholders and persons connected/ related to them,

then:

- (a) the relevant Director and persons connected/ related to that Director;
- (b) the substantial shareholder and persons connected/ related to that substantial shareholder; or
- (c) the relevant Director and substantial shareholder and persons connected/ related to them

are required to abstain from deliberation and/or voting at the relevant Board meeting and general meeting in deciding on the related party transaction.

Further, our Audit Committee comprising a majority of Independent Directors which is required to be formed under the Listing Requirements of the Bursa Securities will, inter-alia, monitor any transactions between us and our Directors and substantial shareholders and/or persons connected with them. Our Directors and substantial shareholders will also not venture into any new business that will lead to conflict of interest situations with the existing oil palm plantation businesses carried out by us.

13. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (Cont'd)

In addition, our Directors and substantial shareholders have given their undertakings that all business transactions entered into between us and themselves and/or persons connected with them shall be negotiated on and agreed at arm's length basis, normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of our minority shareholders.

13.3 Declaration of conflict of interest by our advisers

CIMB has given its confirmation that there are no existing or potential conflicts of interest in its capacity as the Adviser for the Listing.

Messrs. PricewaterhouseCoopers has confirmed that there are no existing or potential conflicts of interest in its capacity as the Auditors and Reporting Accountants for the Listing.

Messrs. Alvin Chong & Partners Advocates has confirmed that there are no existing or potential conflicts of interest in its capacity as the Solicitor for the Listing.

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