

9. OTHER INFORMATION CONCERNING OUR GROUP

9.1 INFORMATION ON LAND AND BUILDINGS

9.1.1 Properties Owned by Our Group

As at the LPD, details of the properties owned by our Group are as follows:-

No.	Registered Owner / (Beneficial Owner)	Location / Title Identification	Description / Existing Use	Approximate Age of Building / Tenure / Approximate Land Area / Approximate Built-up Area	Restriction in Interest / Encumbrances	Date of Issuance of CF / CCC	Audited NBV @ 31 March 2011 ⁽¹⁾	Audited NBV @ 31 July 2011 ⁽¹⁾	Market Value / Date of Valuation / Method of Valuation	Revaluation Surplus / (Deficit) as at 31 March 2011 ⁽²⁾
							RM	RM	RM	RM
1.	Sentoria	No 18, Jalan Dagang SB 4/1, Taman Sungai Besi Indah, 43300 Seri Kembangan, Selangor Darul Ehsan / HSD 185506 PT 355, Pekan Baru Sungai Besi, District of Petaling, State of Selangor Darul Ehsan	An intermediate unit of 4-storey shop office / Shop office	12 years / Leasehold (99-years expiring 28.05.2102) / 164 sq metres / 654 sq metres	The said land shall not be transferred, leased or charged without the prior approval from the state authority / Charged to EON Bank Berhad*	09.02.1999	810,979	807,493	1,200,000 / 31.03.2011 / Investment Method and Comparison Method	389,021
2.	H.A. Properties Sdn Bhd / (Sempurna Resort Kuantan) ^{(3)&(4)}	Jalan TIS 1, Taman Indera Sempurna, 25150 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 28413 PT 91738, Mukim of Kuala Kuantan, District of Kuantan, State of Pahang Darul Makmur	One hundred and eight (108) room budget hotel consisting of three (3) blocks of 3-storey buildings / A budget hotel known as Sempurna Resort	2 years / Leasehold (99-years expiring 11.09.2106) / 2.01 hectares / 5,900.79 sq metres	Malay Reserve Land [^] / The said land shall not be transferred, leased or charged without the prior approval from the state authority / Charged to EON Bank Berhad*	28.10.2009	7,710,113	8,035,343	10,200,000 / 31.03.2011 / Comparison Method and Cost Method	2,489,887
3.	Sentoria Bina	Within Dusun Sri Salam, off Jalan Pedas-Linggi, Rembau, Negeri Sembilan Darul Khusus / GRN 138226 Lot 2310 (formerly known as HSD 3451 PT 578), Mukim of Kundor, District of Rembau, State of Negeri Sembilan Darul Khusus	Vacant agriculture land	N/A / Freehold / 0.40 hectares / N/A	Charged to RHB Bank Berhad	N/A	400,000	400,000	60,000 / 31.03.2011 / Comparison Method	(340,000)

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

No.	Registered Owner / (Beneficial Owner)	Location / Title Identification	Description / Existing Use	Approximate Age of Building / Tenure / Approximate Land Area / Approximate Built-up Area	Restriction in Interest / Encumbrances	Date of Issuance of CF / CCC	Audited NBV @ 31 March 2011 ⁽⁵⁾	Audited NBV @ 31 July 2011 ⁽⁶⁾	Market Value / Date of Valuation / Method of Valuation	Revaluation Surplus / (Deficit) as at 31 March 2011 ⁽²⁾
4.	Sentoria Bina	Lot 6937 and 6939, Barbara Forest Park Lenggeng (now known Taman Arawana), about 2 kilometres from Pekan Lenggeng, Off Jalan Lenggeng-Broga, Lenggeng, Negeri Sembilan Darul Khusus / GRN 186374 Lot 6937 and GRN 186375 Lot 6939, Mukim of Lenggeng, District of Seremban, State of Negeri Sembilan Darul Khusus	Vacant agriculture land	N/A / Freehold / 0.83 hectares / N/A	Nil / Charged to RHB Bank Berhad	N/A	492,576	492,576	512,000 / 31.03.2011 / Comparison Method	19,424
5.	Sentoria Alfa / (Sentoria Theme parks) ⁽⁶⁾	Bukit Gambang Water Park, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur / HSD 30045 PT 2226, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Water theme park known as Bukit Gambang Water Park	2 years / Leasehold (99-years expiring 27.03.2107) / 18.52 hectares / 15,365.02 sq metres	The said land shall not be transferred, leased or charged without the prior approval from the state authority / Private caveat lodged by EON Bank Berhad*	18.11.2009	40,061,409	39,882,937	44,500,000 / 31.03.2011 / Cost Method	4,438,591
6.	Sentoria Alfa / (Sentoria Theme parks) ⁽⁶⁾	N2-LG-1 to N2-LG-18, Block North Wing 2, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 30042 PT 2223, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Eighteen (18) units of 1-2 bedroom resort suite / Deluxe Suite	1-2 years / Leasehold (99-years expiring 27.03.2107) / N/A / 59.37 sq metres (2 units), 66.61 sq metres (15 units) and 91.51 sq metres (1 unit)	In respect of the master title – The said land shall not be transferred, leased or charged without the prior approval from the state authority / Private caveat lodged by EON Bank Berhad*	21.12.2009	2,628,000	2,610,000	2,912,000 / 31.03.2011 / Comparison Method and Investment Method	284,000

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

No.	Registered Owner / (Beneficial Owner)	Location / Title Identification	Description / Existing Use	Approximate Age of Building / Tenure / Approximate Land Area / Approximate Built-up Area	Restriction in Interest / Encumbrances	Date of Issuance of CF / CCC	Audited NBV @ 31 March 2011 ⁽¹⁾	Audited NBV @ 31 July 2011 ⁽²⁾	Market Value / Date of Valuation / Method of Valuation	Revaluation Surplus / (Deficit) as at 31 March 2011 ⁽²⁾
7.	Sentoria Alfa / (Sentoria Vacation Club) ⁽⁶⁾	N1-01-01, N1-01-08, N1-01-09, N1-01-16, N1-02-01, N1-02-08, N1-02-09, N1-02-16, N1-03-01, N1-03-08, N1-03-09, N1-03-16, N1-3A-01, N1-3A-08, N1-3A-09, N1-3A-16, N1-05-01, N1-05-08, N1-05-09 and N1-05-16, Block North Wing 1, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 30042 PT 2223, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Twenty (20) units of 1-bedroom resort suite / Studio Suite	1-2 years / Leasehold (99-years expiring 27.03.2107) / N/A / 43.66 sq metres each	In respect of the master title – The said land shall not be transferred, leased or charged without the prior approval from the state authority / Private caveat lodged by EON Bank Berhad*	21.12.2009	2,201,550	2,186,497	2,272,000 / 31.03.2011 / Comparison Method and Investment Method	70,450
8.	Sentoria Alfa / (Sentoria Vacation Club) ⁽⁶⁾	N1-01-10 to N1-01-15, N1-02-10 to N1-02-15, N1-03-10 to N1-03-15, N1-3A-13A and N1-3A-15, Block North Wing 1, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 30042 PT 2223, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Twenty (20) units of 2-bedroom resort suite / Family Suite	2-2 years / Leasehold (99-years expiring 27.03.2107) / N/A / 75.25 sq metres each	In respect of the master title – The said land shall not be transferred, leased or charged without the prior approval from the state authority / Private caveat lodged by EON Bank Berhad*	21.12.2009	3,063,450	3,042,503	3,144,000 / 31.03.2011 / Comparison Method and Investment Method	80,550

Company No: 463344-K

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

No.	Registered Owner / (Beneficial Owner)	Location / Title Identification	Description / Existing Use	Approximate Age of Building / Tenure / Approximate Land Area / Approximate Built-up Area	Restriction in Interest / Encumbrances	Date of Issuance of CF / CCC	Audited NBV @ 31 March 2011 ⁽⁴⁾	Audited NBV @ 31 July 2011 ⁽⁵⁾	Market Value / Date of Valuation / Method of Valuation	Revaluation Surplus / (Deficit) as at 31 March 2011 ⁽²⁾
							RM	RM	RM	RM
9.	Sentoria Alfa / (Sentoria Themeparks) ⁽⁶⁾	Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 30042 PT 2223, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	4-storey building with 3 basement level car park / Club house, commercial area and parking lots	3 2 years / Leasehold (99-years expiring 27.03.2107) / N/A / 14,566.07 sq metres ⁽⁷⁾	In respect of the master title -- The said land shall not be transferred, leased or charged without the prior approval from the state authority / Private caveat lodged by EON Bank Bernhad*	21.12.2009	6,816,424	6,863,065	5,930,000 / 31.03.2011 / Comparison Method	(886,424)
10.	Sentoria Alfa	No. 3, 5, 7 and 9, Lorong GD 12; No. 1, 3, 5, 7, 9, 11, 13 and 15, Lorong GD 13; No. 1, 5, 7, 9, 11, 13, 15, 17, 19 and 21, Lorong GD 14; No. 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, 36, 38, 40, 42, 44, 46, 48, 50, 52, 54, 56 and 58, Lorong GD 15; No. 34, 41, 56 and 57, Lorong GD 16, Taman Gambang Damai, 26300 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 30041 PT 2222, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Fifty-five (55) units of single-storey terrace cost houses / Bukit Gambang Resort's staff quarters	4 years / Leasehold (99-years expiring on 27.03.2107) / Intermediate lot: 102 sq metres; End lot: 118 sq metres and 192 sq metres; Corner lot: 184 sq metres - 328 sq metres / Each: 74.21 sq metres	In respect of the master title -- The said land shall not be transferred, leased or charged without the prior approval from the state authority / Nil	22.07.2007	3,355,110	3,344,997	3,362,000 / 31.03.2011 / Adopted statutory pricing set by Setiausaha Kerajaan Negeri Pahang	6,890

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Notes:-

- # Pursuant to a Vesting Order granted by the High Court of Malaya dated 17 June 2011, the entire assets and liabilities of EON Bank Berhad was transferred to Hong Leong Bank Berhad with effect from 1 July 2011.
- * The private caveats were created as security for a bank loan / credit facility obtained by Sentoria Alfa from EON Bank Berhad. Pursuant to a Vesting Order granted by the High Court of Malaya dated 17 June 2011, the entire assets and liabilities of EON Bank Berhad was transferred to Hong Leong Bank Berhad with effect from 1 July 2011.
- ^ The land owner is in the midst of procuring the removal of the Malay Reserve Land status from the issue document of title. The land premium payable in respect of the land has been settled. Please refer to Section 3.1.1(x) of this Prospectus on risks relating to Malay Reserve Land.
- (1) Extracted from the audited financial statements of respective subsidiaries within the Group.
- (2) The revaluation surplus / deficit based on the valuation carried out on 31 March 2011 have not and will not be incorporated in the financial statements of the respective companies in the Group.
- (3) H.A. Properties Sdn Bhd had on 27 May 2005 and 11 August 2006 entered into a joint venture agreement and supplementary agreement respectively with Sentoria Harta pursuant to which Sentoria Harta is to develop the land in accordance to the terms of the joint venture agreement.
- (4) Sentoria Harta had on 10 October 2010 entered into a sale and purchase agreement with Sentoria Themeparks with the consent of H.A. Properties Sdn Bhd as the proprietor of which Sentoria Harta has agreed to sell and Sentoria Themeparks has agreed to purchase all that piece of land with vacant possession distinguished as Lot No. 2321 measuring approximately 20,052 square metres, being part of the master land held under HSD 28413 PT 91738, Mukim Kuala Kuantan, Daerah Kuantan, Pahang Darul Makmur for the purposes of acquisition of Sempurna Resort in accordance to the terms of the sale and purchase agreement. Pursuant thereto, Sentoria Themeparks had via its letter of nomination dated 15 October 2011 (duly accepted and acknowledged by Sentoria Harta and H.A. Properties Sdn Bhd) nominated its wholly-owned subsidiary, Sempurna Resort Kuantan, as its nominee to receive the transfer of the title to the said premises.
- (5) Perbadanan Setiausaha Kerajaan Pahang ("PSKP") had via a letter dated 1 March 2006 approved and consented to the alienation of the land to Sentoria Alfa for the purposes of development of the land in accordance with the terms of the letter. Pursuant to a joint venture agreement entered into between Sentoria Alfa and Sentoria Themeparks on 2 July 2007, Sentoria Alfa shall deliver the land with vacant possession to Sentoria Themeparks for the purposes of development of the land into a Water Park, in consideration of its entitlements under the terms of the joint venture agreement. Sentoria Alfa had via a letter dated 1 December 2010 confirmed that Sentoria Themeparks has complied with all its obligations under the terms of the joint venture agreement and that the beneficial ownership of the land shall vest with Sentoria Themeparks pursuant thereto.
- (6) Pursuant to the sale and purchase agreements entered into between the parties on 15 May 2009 and 20 July 2009, Sentoria Vacation Club and Sentoria Themeparks have respectively purchased these units from Sentoria Alfa (Proprietor) / Sentoria Harta (Developer). Pending the issuance of the strata / individual titles to be registered in the name of Sentoria Themeparks and Sentoria Vacation Club respectively pursuant to the terms of the sale and purchase agreements, Sentoria Themeparks and Sentoria Vacation Club would be deemed as the beneficial owner of the units purchased.
- (7) Including the gross floor area for basement parking and the strata title area of the clubhouse and commercial area which excludes the common areas.

Please refer to Section 14 of this Prospectus for the Valuation Certificates from the Independent Registered Valuers in relation to the valuation of the properties.

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

9.1.2 Properties Held for Development

As at the LPD, the properties which are held for development activities by our Group are as follows:-

No.	Registered Owner / (Beneficial Owner) - Project	Location / Title Identification	Description / Existing Use	Approximate Land Area	Tenure / Interest / Encumbrances	Date of Issuance of CF / CCC	Audited NBV @ 31 March 2011 ⁽¹⁾	Audited NBV @ 31 July 2011 ⁽¹⁾	Market Value / Date of Valuation / Method of Valuation	Revaluation Surplus / (Deficit) as at 31 March 2011 ⁽²⁾
							RM	RM	RM	RM
(i)	On-Going Development Properties (Owned by our Group)									
1.	Sentoria Alfa / Bukit Gambang Resort - Arabian Bay	Arabian Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 30042 PT 2223, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Development land / On-going mixed development project known as Arabian Bay which comprises of 320 units of 2-bedroom family suites, 216 units of hotel suites and 10 units of penthouse suites together with a corporate centre, a clubhouse and a recreation centre.	Leasehold (99-years expiring 27.03.2107) / 48,562.28 sq metres	In respect of the master title -- The said land shall not be transferred, leased or charged without the prior approval from the state authority / Private caveat lodged by EON Bank Berhad*	N/A	12,500,691	18,528,296	8,940,000 / 31.03.2011 / Residual Method	(3,560,691)
2.	Sentoria Alfa - Desa Hijauan [Pesona Jerman]	Taman Gambang Damai, 26300 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 30041 PT 2222, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Development land / On-going residential development project in Desa Hijauan known as Pesona Jerman which comprises of 64 units of single-storey semi-detached houses	Leasehold (99-years expiring 27.03.2107) / 22,353 sq metres	The said land shall not be transferred, leased or charged without the prior approval from the state authority / Nil	N/A	499,062	327,261	- ^(b)	N/A
3.	Sentoria Alfa - Desa Hijauan [Tulip]	Taman Gambang Damai, 26300 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 30041 PT 2222, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Development land / On-going residential development project in Desa Hijauan known as Tulip which comprises of 168 units of single-storey terrace houses	Leasehold (99-years expiring 27.03.2107) / Tulip A: 11,022 sq metres Tulip B: 10,786 sq metres	The said land shall not be transferred, leased or charged without the prior approval from the state authority / Nil	N/A	6,765,724	3,193,236	3,170,000 / 31.03.2011 / Residual Method	(3,595,724)

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

No.	Registered Owner / (Beneficial Owner) - Project	Location / Title Identification	Description / Existing Use	Approximate Land Area	Restriction in Interest / Encumbrances	Date of Issuance of CF / CCC	Audited NBV @ 31 March 2011 ⁽¹⁾	Audited NBV @ 31 July 2011 ⁽¹⁾	Market Value / Date of Valuation / Method of Valuation	Revaluation Surplus / (Deficit) as at 31 March 2011 ⁽²⁾
							RM	RM	RM	RM
4.	Sentoria Alfa - Desa Hijauan	Taman Gambang Damai, 26300 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 30041 PT 2222, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Development land / 112 plots of semi-detached house lot and 15 plots of bungalow house lots	Leasehold (99-years expiring 27.03.2107) / 50,579 sq metres	The said land shall not be transferred, leased or charged without the prior approval from the state authority / Nil	N/A	1,651,332	3,899,428	3,805,000 / 31.03.2011 / Comparison Method	2,153,668
5.	Sentoria Alfa - Desa Hijauan	Taman Gambang Damai, 26300 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 30041 PT 2222, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Development land / 13 plots of single-storey terrace house lots	Leasehold (99-years expiring 27.03.2107) / 1,562 sq metres	The said land shall not be transferred, leased or charged without the prior approval from the state authority / Nil	N/A	716,240	1,048,264	-(4)	N/A

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9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

No.	Registered Owner / (Beneficial Owner) - Project	Location / Title Identification	Description / Existing Use	Approximate Land Area	Tenure / Interest / Encumbrances	Date of Issuance of CF / CCC	Audited NBV @ 31 March 2011 ⁽¹⁾	Audited NBV @ 31 July 2011 ⁽¹⁾	Market Value / Date of Valuation / Method of Valuation	Revaluation Surplus / (Deficit) as at 31 March 2011 ⁽²⁾
6.	Lakehomes Development Sdn Berhad (formerly known as I & P Jawi Sdn Bhd) ("Lakehomes") ⁽⁵⁾ / (Sentoria) - Fasa Bunga Raya	Fasa Bunga Raya, Desa Pinggiran Bayu, Pajam, Negeri Sembilan Darul Khusus / H.S.(D) 204265 to H.S.(D) 204268 and GRN 105908 to GRN 105921, GRN 105924, H.S.(D) 124417, GRN 105926 to GRN 105940, GRN 105227 to GRN 105238, GRN 105226 to GRN 105225, GRN 105941 to GRN 105964, GRN 105239 to GRN 105252, GRN 105255 to GRN 105266, GRN 105976 to GRN 105985, H.S.(D) 124622, GRN 105984 to GRN 105977 and GRN 105267 to GRN 105278 respectively PT 417 To PT 420, Bandar Mantin Utama And Lot 18179 to Lot 18192, Lot 18195, PT 21118, Lot 18197 to Lot 18211, Lot 18320 to Lot 18371, Lot 18374 to Lot 18400, PT 21323 and Lot 18402 to Lot 18421, Mukim of Setul, all in District of Seremban, State of Negeri Sembilan Darul Khusus	Development land / 135 units of terraced house lots which are improved upon with uncompleted building structures within Desa Pinggiran Bayu. It is now approved to be developed as Fasa Bunga Raya of Desa Pinggiran Bayu	Freshhold / 12,429.6 sq metres	Nil / Nil	N/A	550,986	3,956,694	5,570,000 / 31.03.2011 / Residual Method	5,019,014

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

No.	Registered Owner / (Beneficial Owner) - Project	Location / Title Identification	Description / Existing Use	Tenure / Approximate Land Area	Restriction in Interest / Encumbrances	Date of Issuance of CF / CCC	Audited NBV @ 31 March 2011 ⁽⁶⁾	Audited NBV @ 31 July 2011 ⁽⁶⁾	Market Value / Date of Valuation / Method of Valuation	Revaluation Surplus / (Deficit) as at 31 March 2011 ⁽²⁾
							RM	RM	RM	RM
(ii)	On-Going Development Properties (Joint Venture)									
1.	H. A. Properties Sdn Bhd ⁽⁶⁾ - Taman Indera Sempurna 2 [Block D - Type J]	Taman Indera Sempurna 2, 25150 Kuantan, Pahang Darul Makmur / HSD 28415 PT 91739, Mukim of Kuala Kuantan, District of Kuantan, State of Pahang Darul Makmur	Development land / On-going mixed development known as Taman Indera Sempurna 2 - Block D (Type J) which comprises of 180 units of single-storey terrace houses	Leasehold (99-years expiring 23.09.2106) / 21,916 sq metres	Malay Reserve Land* / The said land shall not be transferred, leased or charged without the prior approval from the state authority / Nil	N/A	499,851	1,050,472	14,000,000 / 31.03.2011 / Residual Method	N/A
2.	H. A. Properties Sdn Bhd ⁽⁶⁾ - Taman Indera Sempurna 2 [Block E]	Taman Indera Sempurna 2, 25150 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 28413 PT 91738, Mukim of Kuala Kuantan, District of Kuantan, State of Pahang Darul Makmur and PN 11637 Lot 6327, Mukim of Penor, District of Kuantan, State of Pahang Darul Makmur	Development land / On-going mixed development known as Taman Indera Sempurna 2 - Block E which comprises of 278 units of single-storey semi-detached houses bungalows	Leasehold (99-years expiring 11.09.2106 and 23.09.2106) / 168,639 sq metres	Malay Reserve Land* / The said land shall not be transferred, leased or charged without the prior approval from the state authority / PT 91738: Charged to EON Bank Berhad* Lot 6327: Nil	N/A	7,353,773	8,437,148	14,000,000 / 31.03.2011 / Residual Method	6,646,227
3.	H. A. Properties Sdn Bhd ⁽⁶⁾ - Taman Indera Sempurna 2 [Block F]	Taman Indera Sempurna 2, 25150 Kuantan, Pahang Darul Makmur / Part of Master Title No. HSD 28416 PT 91740, Mukim of Kuala Kuantan, District of Kuantan, State of Pahang Darul Makmur	Development land / On-going commercial development known as Taman Indera Sempurna 2 - Block F which comprises of 34 units of double-storey shop offices	Leasehold (99-years expiring 12.08.2107) / 4,860 sq metres	Malay Reserve Land* / The said land shall not be transferred, leased or charged without the prior approval from the state authority / Charged to EON Bank Berhad*	N/A	989,971	911,059	3,500,000 / 31.03.2011 / Residual Method	2,510,029

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Notes:-

- [^] The land owner is in the midst of procuring the removal of the Malay Reserve Land status from the issue document of title of a few parcels of land aggregating 36.0 acres. Please refer to Section 3.1.1(x) of this Prospectus on risks relating to Malay Reserve Land.
- * Please refer to Section 3.1.1(x) of this Prospectus on risks relating to Malay Reserve Land.
- # Pursuant to a Vesting Order granted by the High Court of Malaya dated 17 June 2011, the entire assets and liabilities of EON Bank Berhad was transferred to Hong Leong Bank Berhad with effect from 1 July 2011.
- (1) Extracted from the audited financial statements of respective subsidiaries within the Group.
- (2) The revaluation surplus / deficit based on the valuation carried out on 31 March 2011 have not and will not be incorporated in the financial statements of the respective companies in the Group.
- (3) Valuations were not conducted on these developments as they are fully sold. The construction of Pesona Jerman is completed but pending issuance of CCC.
- (4) Valuation was not conducted on this property as it is deemed as immaterial.
- (5) Sale and purchase agreement dated 29 March 2011 entered into between Sentoria and Lakehomes in relation to the acquisition by Sentoria of 135 parcels of land held in Bandar Mantin Utama and Mukim of Setul, District of Seremban, State of Negeri Sembilan subject to the conditions and restrictions in interest to the issue document of title. Sentoria has paid a deposit amounting to a sum of RM510,000 to Lakehomes upon execution of the sale and purchase agreement and the payment in respect of the balance purchase price would be paid in tranches in accordance with the terms of the agreement.
- (6) H.A. Properties Sdn Bhd had on 27 May 2005 and 11 August 2006 entered into a joint venture agreement and supplementary agreement respectively with Sentoria Harta pursuant to which Sentoria Harta is to develop the land in accordance to the terms of the joint venture agreement.
- (7) Valuations were not conducted on these developments as they are fully sold. The construction of Type J is completed but pending issuance of CCC.

Please refer to Section 14 of this Prospectus for the Valuation Certificates from the Independent Registered Valuers in relation to the valuation of the properties.

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9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

No.	Registered Owner / (Beneficial Owner) - Project	Location / Title Identification	Description / Intended Use	Approximate Land Area	Tenure / Restriction in Interest / Encumbrances	Date of Issuance of CF / CCC	Audited NBV @ 31 March 2011 ⁽¹⁾	Audited NBV @ 31 July 2011 ⁽¹⁾	Market Value / Date of Valuation / Method of Valuation	Revaluation Surplus / (Deficit) as at 31 March 2011 ⁽²⁾
3.	Sentoria Resorts	Along the Kuantan - Kemaman Trunk road, Chengal Lempong, Kuantan, Pahang Darul Makmur / GM 2054 Lot 1259, Mukim of Sungai Karang, District of Kuantan, State of Pahang Darul Makmur	Vacant development land / Commercial development project known as Sungai Karang Beach Resort which comprises of 120 units of hotel suites	Freehold / 1.04 hectares	Nil / Charged to RHB Bank Berhad	N/A	RM 2,250,923	RM 2,253,122	RM 2,600,000 / 31.03.2011 / Comparison Method	RM 349,077

Notes:-

- * The private caveats were created as security for a bank loan / credit facility obtained by Sentoria Alfa from EON Bank Berhad. Pursuant to a Vesting Order granted by the High Court of Malaysia dated 17 June 2011, the entire assets and liabilities of EON Bank Berhad was transferred to Hong Leong Bank Berhad with effect from 1 July 2011.
- # Pursuant to a Vesting Order granted by the High Court of Malaysia dated 17 June 2011, the entire assets and liabilities of EON Bank Berhad was transferred to Hong Leong Bank Berhad with effect from 1 July 2011.
- (1) Extracted from the audited financial statements of respective subsidiaries within the Group.
- (2) The revaluation surplus / deficit based on the valuation carried out on 31 March 2011 have not and will not be incorporated in the financial statements of the respective companies in the Group.
- (3) Conversion of category of land use and express conditions to 'building' for commercial use has been granted vide Pejabat Daerah dan Tanah Kuantan letter dated 17 December 2009. The payment of the relevant premium to effect the conversion has been made.
- (4) These lots are presently being transferred to Sentoria Alfa. The payment of the relevant premium to effect the transfer has been made.

Please refer to Section 14 of this Prospectus for the Valuation Certificates from Independent Registered Valuers in relation to the valuation of the properties.

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9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

No.	Registered Owner - Project	Location / Title Identification	Description / Intended Use	Tenure / Approximate Land Area	Restriction in Interest / Encumbrances	Date of Issuance of CF / CCC	Audited NBV @ 31 March 2011 ⁽¹⁾	Audited NBV @ 31 July 2011 ⁽¹⁾	Market Value / Date of Valuation/ Method of Valuation	Revaluation Surplus / (Deficit) as at 31 March 2011
							RM	RM	RM	RM
3.	Saniah Binti Nadi ⁽⁶⁾ - Taman Bukit Tinggi	Salak Tinggi, Selangor Darul Ehsan / HSM 2782 to 2798 PT 2386 to 2402, Mukim of Labu, District of Sepang, State of Selangor Darul Ehsan	Vacant development land / Residential development known as Taman Bukit Tinggi which comprises of 31 units of single-storey semi-detached houses	Freehold / 6,429.4 sq metres	Malay Reserve Land* / Nil / Nil	N/A	269,430	276,588	RM - ⁽²⁾	N/A
4.	Samiah Binti Nadi ⁽⁷⁾ - Taman Bukit Tinggi	Salak Tinggi, Selangor Darul Ehsan / HSM 2753 to 2766 PT 2403 to 2416, Mukim of Labu, District of Sepang, State of Selangor Darul Ehsan		Freehold / 5,231.8 sq metres	Malay Reserve Land* / Nil / Nil	N/A	269,429	276,587	RM - ⁽²⁾	N/A

Notes:-

* Please refer to Section 3.1.1(x) of this Prospectus on risks relating to Malay Reserve Land.

(1) Extracted from the audited financial statements of respective subsidiaries within the Group.

(2) Valuations were not conducted on these properties as development activities have not commenced.

(3) Joint venture agreement dated 14 February 2005 entered between Jariaco and Sentoria Alam to jointly develop all that piece of land measuring about 38.35 acres in Bukit Rengin, Mukim Kuala Kuantan, Daerah Kuantan, Pahang Darul Makmur. In consideration of the respective agreements, undertakings, covenants and obligations of the parties and in consideration of Sentoria Alam paying to Jariaco a sum equivalent to RM20,000 as security deposit, Jariaco allowed Sentoria Alam to develop the land by erecting the approved buildings thereon. Upon the completion of the project or each phase of the project, Jariaco shall be entitled to 9% of the total sale realization from the actual sale of all or any of the various types of buildings in relation to the particular phase of this project only. Sentoria Alam shall upon the completion of the project be entitled to its entitlement under the said joint venture agreement.

(4) Pejabat Daerah dan Tanah Kuantan is in the process of registering the title. The payment of the relevant premium to give effect to the alienation has been made. The tenure of the leasehold years will commence upon the issuance of the title.

(5) Joint venture agreement dated 25 May 2005 entered between Wan Habsah Binti Wan Kassim and Sentoria Alam to jointly develop all that piece of land held as Malay Reserve Land under title GM 4092 Lot No 16701 in an area measuring approximately 0.4003 hectares in Mukim of Kuala Kuantan, District of Kuantan, State of Pahang Darul Makmur. In consideration of Sentoria Alam agreeing to pay to Wan Habsah Binti Wan Kassim a sum of RM5,000 as security deposit and the construction of 2 units of single-storey terrace house and one unit of low-cost terrace house (to be secured by an upfront payment of RM7,200), Wan Habsah Binti Wan Kassim allowed Sentoria Alam to develop the land by erecting the approved buildings thereon.

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

- (6) *Joint venture agreement dated 9 April 1999 entered between Saniah Binti Nadi and Sentoria Properties wherein Saniah Binti Nadi agreed to surrender, consent and to authorize Sentoria Properties to develop the land into a housing project. Pursuant to the terms of the joint venture agreement, Sentoria Properties agreed to build 15% of the total flats on the land, 25% of total terrace houses and shops on the land including 1 unit of corner unit and other intermediate units, and to pay an advance payment of RM20,000 when the agreement is signed and RM1,000 per month for 36 months to Saniah Binti Nadi. The parties agreed that the advance payment would set-off against the units to be allocated to Saniah Binti Nadi. Sentoria Properties had novated its rights to develop the land to Sentoria vide a novation agreement dated 4 September 2000 entered into between Saniah Binti Nadi, Sentoria Properties and Sentoria. The parties subsequently on 2 June 2010 entered into a revocation and rescission agreement to rescind the novation agreement dated 4 September 2000.*
- (7) *Joint venture agreement dated 9 April 1999 entered between Samiah Binti Nadi and Sentoria Properties wherein Samiah Binti Nadi agreed to surrender, consent and to authorize Sentoria Properties to develop the land into a housing project. Pursuant to the terms of the joint venture agreement, Sentoria Properties agreed to build 15% of the total flats on the land, 25% of total terrace houses and shops on the land including 1 unit of corner unit and other intermediate units, and to pay an advance payment of RM20,000 when the agreement is signed and RM1,000 per month for 36 months to Samiah Binti Nadi. The parties agreed that the advance payment would set-off against the units to be allocated to Samiah Binti Nadi. Sentoria Properties had novated its rights to develop the land to Sentoria vide a novation agreement dated 4 September 2000 entered into between Samiah Binti Nadi, Sentoria Properties and Sentoria. The parties subsequently on 2 June 2010 entered into a revocation and rescission agreement to rescind the novation agreement dated 4 September 2000.*

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9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

9.1.3 Properties Leased by Our Group

As at the LPD, a summary of the land and buildings leased for our Group's operations is as follows:-

No.	Landlord / (Tenant)	Location of Leased Properties	Description/ Existing Use	Duration of the lease	Area Leased (sq metres)	Restriction in Interest / Encumbrances	Date of Issuance of CF / CCC	Rental amount RM
1.	Sentoria Capital / (Sentoria Harta)	B-2, Jalan IM 3/10, BIM Point Bandar Indera Mahkota, 25200 Kuantan, Pahang Darul Makmur	Three-storey shop office / Sentoria Kuantan office	01.07.2009 to 30.06.2012	390.19	Nil / Charged to RHB Bank Berhad	24.06.1999	4,000 per month
2.	Grinterra Sdn Bhd ("Grinterra") ⁽¹⁾ / (Sentoria)	No 56 & 58, Jalan Dagang SB 4/2, Taman Sungai Besi Indah, 43300 Seri Kembangan, Selangor Darul Ehsan	Four-storey shop office / Sentoria headquarters	01.04.2011 to 31.03.2014	1,584.93	The said land shall not be transferred, leased or charged without the prior approval from the state authority / Charged to Public Bank Berhad	09.02.1999 ⁽²⁾	20,000 per month

Notes:-

- (1) Sentoria had on 29 March 2011 entered into sale and purchase agreements with Grinterra pursuant to which Sentoria agreed to sell and Grinterra agreed to purchase both those properties known as No. 56 and No. 58, Jalan Dagang SB 4/2, Taman Sungai Besi Indah, 43300 Seri Kembangan, Selangor Darul Ehsan held under title HSD 185531 PT 380 and HSD 185532 PT 381, Pekan Baru Sungai Besi, District of Petaling, State of Selangor Darul Ehsan (the "Properties"), for a sale and purchase consideration of RM1.4 million each ("Transactions") ("SPAs"). Vacant possession of the Properties has been delivered to Grinterra pending completion of the Transactions. Simultaneously with the SPAs, Sentoria entered into a tenancy agreement with Grinterra to lease the Properties from Grinterra for a period of three (3) years from 1 April 2011 at a monthly rental of RM20,000 ("Tenancy"). It is stipulated that the period pending completion of the SPAs shall be deemed as a rental-free period. Further thereto, Grinterra had via a letter dated 1 April 2011 informed Sentoria that the Transactions are strictly on "as is where is" and confirmed and acknowledged that the CCC of the Properties is currently outstanding ("Letter").
- (2) The Properties are two (2) intermediate units of 4-storey shop offices which had been renovated and converted into a 5-storey office building with a lift. It should be noted that whilst the original 4-storey building was issued with the Certificate of Fitness for Occupation dated 9 February 1999 by Majlis Perbandaran Subang Jaya ("MPSJ") and the renovation plans for 4-storey building was approved by MPSJ vide a copy of their approval letter dated 21 December 2006, the additional 4th floor was constructed without approval from the MPSJ and as such the CCC is currently outstanding at the date of the SPAs. In this respect and in light of the Tenancy, Grinterra via their Letter had undertaken to submit all requisite applications to the relevant authorities for the purposes of obtaining the CCC and all other necessary approvals in respect of the occupation and use of the Properties (including but not limited to the additional renovation work undertaken on the Properties). Grinterra had on 5 August 2011 submitted an application to MPSJ. Grinterra shall indemnify Sentoria from and against any and all claims, proceedings, losses, damages, costs and expenses that may arise or that Sentoria may for any reason whatsoever incur (in Sentoria's capacity as tenant of the Properties) as a result of the CCC and all other necessary approvals not having been obtained.

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

In addition to the above two (2) leases, Sentoria Harta had entered into tenancy agreements with all the purchasers of the units comprised in Caribbean Bay pursuant to the sale and leaseback scheme entered into with such purchasers/owners for a period of three (3) years with an option to extend the tenancies for a further period of two (2) years at a monthly rental of between RM650 to RM1,200 for each of the 520 units under the sale and leaseback scheme commencing three (3) months from the date of delivery of vacant possession of such units. The tenanted units are used by our Group as part of the resort suite operations of Bukit Gambang Resort.

Save as disclosed in Sections 9.1.1, 9.1.2 and 9.1.3 of this Prospectus, in respect of the properties of our Group, the Directors of our Company have confirmed that:-

- (i) There are no other restrictions in interest or encumbrances;
- (ii) The existing use on all land is in accordance with land use conditions / permissible land use;
- (iii) The buildings are in compliance with relevant land use and building regulations;
- (iv) The buildings are in compliance with the express conditions attached; and
- (v) All the buildings have been issued with a CF or CCC, where applicable.

9.2 ACQUISITIONS OF PROPERTIES DURING THE TWO (2) YEARS PRECEDING THE DATE OF THIS PROSPECTUS

Listed below are the details of the properties acquired during the last two (2) years preceding the date of this Prospectus: -

Registered Owner/ Location/ Type of Property	Date of Transaction	Purchase Consideration RM
Lakehomes* / Fasa Bunga Raya, Desa Pinggiran Bayu, Pajam, Negeri Sembilan Darul Khusus / 135 units of terraced house lots with partially completed building structures within Desa Pinggiran Bayu. It is now approved to be developed as Fasa Bunga Raya of Desa Pinggiran Bayu	29 March 2011	5,100,000
Total		5,100,000

Note:-

- * Sale and purchase agreement dated 29 March 2011 entered into between Sentoria and Lakehomes in relation to the acquisition by Sentoria of 135 parcels of land held in Bandar Mantin Utama and Mukim of Setul, District of Seremban, State of Negeri Sembilan subject to the conditions and restrictions in interest to the issue document of title. Sentoria has paid a deposit amounting to a sum of RM510,000 to Lakehomes upon execution of the sale and purchase agreement and the payment in respect of the balance purchase price would be paid in tranches in accordance with the terms of the agreement.

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)**9.3 MATERIAL PLANT AND EQUIPMENT**

Listed below is the detailed information on material plant and equipment owned by our Group:-

Major Plant and Equipment	Number of Units	NBV as at 31 July 2011 (RM)
Wave pool	1	1,351,264
Six (6) lane racer	1	1,061,717
Canopy slide	1	579,118
Galaxy slide	1	482,599
Crystal slide	1	482,599
Family raft ride	1	3,281,652
Kids river ride	1	1,158,231
Aqua play	1	1,158,231
Glacier river / Journey of ice	1	1,158,231
Total		10,713,642

The abovementioned plant and equipment are grouped under 'Land and Buildings' of our Group.

9.4 REGULATORY REQUIREMENT AND ENVIRONMENTAL ISSUE

Save as disclosed in Section 2.4 and 3.4 of Section 5 of this Prospectus, there are no regulatory requirement and environmental issue which may materially affect our operations and utilisation of assets.

9.5 MATERIAL CAPITAL EXPENDITURE AND DIVESTITURES**9.5.1 Material capital expenditure and divestitures for the last three (3) financial years**

Save as disclosed below, the Group has not undertaken any material capital expenditures in the past three (3) FYE 2008 to 2010 up to LPD:-

Description	Transaction value			From 1 October 2010 to LPD (RM'000)
	FYE			
	2008 (RM'000)	2009 (RM'000)	2010 (RM'000)	
Bukit Gambang Water Park	-	20,990	110	19,425
Caribbean Bay clubhouse, car park and commercial area	-	6,090	75	1,074
Fifty-five (55) units of single-storey low medium cost terrace houses at Desa Hijauan	-	-	-	3,389

9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Description	Transaction value			From 1 October 2010 to LPD (RM'000)
	FYE			
	2008 (RM'000)	2009 (RM'000)	2010 (RM'000)	
Eighteen (18) units of Deluxe Suites at Block North Wing 2, Caribbean Bay, Bukit Gambang Resort	-	2,700	-	-
Forty (40) units of Family and Studio Suites at Block North Wing 1, Caribbean Bay, Bukit Gambang Resort	-	5,400	-	-
Sempurna Resort, Jalan TIS 1, Taman Indera Sempurna, Kuantan	-	7,205	135	979
Caribbean Bay's main water supply, TNB supply and Bukit Gambang Resort main road	-	-	-	10,067

Save as disclosed below, the Group has not undertaken any material capital divestures in the past three (3) FYE 2008 to 2010 up to LPD:-

Description	Transaction value			From 1 October 2010 to LPD (RM'000)
	FYE			
	2008 (RM'000)	2009 (RM'000)	2010 (RM'000)	
Commercial Lot A and B held under the master title HSD 28416 PT 91740 in the Mukim of Kuala Kuantan, District of Kuantan, State of Pahang Darul Makmur	-	-	-	3,232
56 & 58, Jalan Dagang SB 4/2, Taman Sg Besi Indah, 43300 Seri Kembangan, Selangor Darul Ehsan	-	-	-	2,800

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9. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

9.5.2 Material Plans to Construct, Expand or Improve Facilities

Save as disclosed below, we have no immediate plans to construct, expand or improve on existing facilities. The following is in line with the Group's future plans as disclosed in Section 4.16 of this Prospectus:-

Facility	Nature	Method of financing	Estimated Total Expenditure (RM'000)	Audited NBV @ 31 July 2011 (RM'000)	Amount already paid as at LPD (RM'000)	Percentage of completion as at LPD (%)	Estimated commencement and completion dates
Bukit Gambang Safari Park	New and additional attraction to Bukit Gambang Resort	Term loan facilities, internal generated funds and IPO proceeds (if required)	48,000	2,239	3,796	18.0	2 nd Quarter 2011 - 3 rd Quarter 2012
Arabian Bay - Clubhouse, corporate centre commercial area	Increase MICE facilities and F&B outlets	Term loan facilities and internal generated funds and IPO proceeds (if required)	15,000	7,809	8,151	57.8	2 nd Quarter 2010 - 3 rd Quarter 2012

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10. FINANCIAL INFORMATION**10.1 HISTORICAL FINANCIAL INFORMATION**

The following table sets out a summary of the audited consolidated results of our Group for the past three (3) FYEs 2008, 2009 and 2010 as well as for FPE 2010 and 2011. The audited consolidated results should be read in conjunction with the Accountants' Report and related notes in Section 11 and with Section 10.4 of this Prospectus.

	Audited			Unaudited ⁽¹⁾	Audited
	FYE 2008	FYE 2009	FYE 2010	FPE 2010	FPE 2011
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	84,868	91,371	123,202	93,669	143,670
Cost of sales	(61,392)	(65,926)	(84,566)	(65,205)	(92,547)
GP	23,476	25,445	38,636	28,464	51,123
Other operating income	1,450	1,462	809	506	2,304
Administration expenses	(5,083)	(7,298)	(14,800)	(13,160)	(17,631)
Other expenses	(91)	(4)	(19)	(1)	(212)
Finance costs	(361)	(446)	(2,068)	(1,524)	(2,023)
PBT	19,391	19,159	22,558	14,285	33,561
Taxation	(5,191)	(5,772)	(3,298)	(2,429)	4,646
PAT	14,200	13,387	19,260	11,856	38,207
Other comprehensive income	-	-	-	-	-
Total comprehensive income	14,200	13,387	19,260	11,856	38,207
Attributable to:-					
- Equity holders of Sentoria	14,195	13,349	19,255	11,855	38,179
- Non-controlling interest	5	38	5	1	28
No. of Shares in issue ('000) ⁽²⁾	340,000	340,000	340,000	340,000	340,000
Gross EPS (sen)	5.7	5.6	6.6	4.2	9.9
Net EPS (sen)	4.2	3.9	5.7	3.5	11.2
Fully diluted EPS ⁽³⁾ (sen)	3.6	3.4	4.8	3.0	9.6
EBITDA	20,798	21,382	27,760	18,407	38,866
Effective tax rate (%)	26.8	30.1	14.6	17.0	(13.8)
GP margin (%)	27.7	27.8	31.4	30.4	35.6
PBT margin (%)	22.8	21.0	18.3	15.3	23.4
PAT margin (%)	16.7	14.7	15.6	12.7	26.6

Notes:-

- (1) Unaudited and included for comparison purposes only.
(2) Based on the issued and paid-up share capital of 340,000,000 Shares after the Subdivision and Bonus Issue.
(3) Fully diluted EPS in the aforementioned context is calculated based on PAT divided by the enlarged issued and paid-up share capital after the Listing Scheme of 400,000,000 Shares (excluding ESOS).

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10. FINANCIAL INFORMATION (Cont'd)**10.2 CAPITALISATION AND INDEBTEDNESS**

The following table summarised our cash and cash equivalents, capitalisation and indebtedness based on the audited consolidated financial statements of our Group as at 31 July 2011 and as adjusted for the following which are assumed to have occurred on 31 July 2011:-

- (i) the effect of the Subdivision and Bonus Issue; and
- (ii) the net proceeds arising from the issue of the Public Issue Shares and the utilisation of proceeds as set out in Section 2.6 of this Prospectus.

	Proforma as at 31 July 2011 after the Subdivision and Bonus Issue RM'000	After IPO and Utilisation of Proceeds RM'000
Cash and Bank Balances	12,051	39,751
Indebtedness		
Secured short-term indebtedness:-		
- Finance lease liabilities	446	446
- Bank overdrafts	1,523	1,523
- Bankers' acceptance	2,915	2,915
- Term loans	5,400	5,400
Secured long-term indebtedness:-		
- Finance lease liabilities	1,224	1,224
- Term loan	38,577	27,377
Total indebtedness	50,085	38,885
Total shareholders' funds / Capitalisation	108,013	155,913
Total capitalisation and indebtedness	158,098	194,798

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10. FINANCIAL INFORMATION (Cont'd)

10.3 REPORTING ACCOUNTANTS' LETTER ON THE PROFORMA CONSOLIDATED FINANCIAL INFORMATION

(Prepared for inclusion in the Prospectus)



REPORTING ACCOUNTANTS' LETTER ON THE PROFORMA CONSOLIDATED FINANCIAL INFORMATION
(Prepared for inclusion this Prospectus)

Date: 6 January 2012

The Board of Directors
Sentoria Group Berhad
56 & 58, Jalan Dagang SB4/2
Taman Sungai Besi Indah
43300 Seri Kembangan
Selangor Darul Ehsan

SJ Grant Thornton (AF:0737)
Level 11, Faber Imperial Court
Jalan Sultan Ismail
P. O. Box 12337
50774 Kuala Lumpur, Malaysia
T +603 2692 4022
F +603 2691 5229
www.gt.com.my

Dear Sirs,

SENTORIA GROUP BERHAD (FORMERLY KNOWN AS SENTORIA DEVELOPMENT SDN. BHD.) ("SENTORIA" or the "COMPANY") AND ITS SUBSIDIARY COMPANIES

PROFORMA CONSOLIDATED FINANCIAL INFORMATION

We have reviewed the presentation of the Proforma Consolidated Financial Information of Sentoria Group Berhad and its subsidiary companies namely Sentoria Properties Sdn. Bhd., Sentoria Bina Sdn. Bhd., Sentoria Harta Sdn. Bhd., Sentoria Alam Sdn. Bhd., Sentoria Resorts Sdn. Bhd., Sentoria Alfa Sdn. Bhd., Sentoria Themeparks and Resorts Sdn. Bhd., and Sentoria Vacation Club Berhad (collectively known as "Sentoria Group" or the "Group") for the financial years ended ("FYE") 30 September 2008 to 30 September 2010 and financial period ended ("FPE") 31 July 2011 together with the notes and assumptions thereto, as set out in this Prospectus, which we have stamped for the purpose of identification, in connection with the listing of and quotation for the entire enlarged issued and fully paid-up share capital of Sentoria on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Proforma Consolidated Financial Information have been prepared for illustrative purposes solely for the purpose of inclusion in this Prospectus ("Prospectus") on the basis of assumptions as set out below and after making certain adjustments to show that:-

- i) the consolidated financial results of the Sentoria Group for the FYE 30 September 2008 to 2010 and FPE 31 July 2011;
- ii) the financial position of the Sentoria Group as at 31 July 2011 adjusted for the subdivision of shares, bonus issue, public issue and utilisation of listing proceeds; and
- iii) the consolidated cash flows of the Sentoria Group for the FPE 31 July 2011 adjusted for the subdivision of shares, bonus issue, public issue and utilisation of listing proceeds.

10. FINANCIAL INFORMATION (Cont'd)

The Proforma Consolidated Financial Information, because of its nature, may not give a true picture of the Sentoria Group's actual financial results, financial position and cash flows. Further, such information does not predict the Group's future financial position, results and cash flows.

It is the sole responsibility of the Directors of the Sentoria Group to prepare the Proforma Consolidated Financial Information in accordance with the requirements of the Prospectus Guidelines – Equity and Debt in respect of Public Offerings issued by the Securities Commission ("Prospectus Guidelines"). Our responsibility is to form an opinion as required by the Prospectus Guidelines on the Proforma Consolidated Financial Information and our letter is given to you solely for this, and no other purpose.

In providing this opinion, we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Proforma Consolidated Financial Information, nor do we accept responsibility for such reports or opinions beyond that is owed to those to whom those reports or opinions were addressed by us at the date of their issues.

Our work, which involved no independent examination of any of the underlying financial information, is primarily comparing the Proforma Consolidated Financial Information with the audited financial statements, considering the evidence supporting the adjustments and discussing the Proforma Consolidated Financial Information with the Directors of the Sentoria Group.

In our opinion, the Proforma Consolidated Financial Information together with the accompanying notes which are provided solely for illustrative purposes only,

- (a) have been properly compiled on a basis of preparation as stated in the notes thereto; such basis is consistent with the accounting policies adopted by the Sentoria Group in the audited Financial Statements, unless otherwise stated;
- (b) the adjustments made to the information used in the preparation of the Proforma Consolidation Financial Information are appropriate for the purposes of the Proforma Consolidated Financial Information; and
- (c) the audited financial statements used in the preparation of the Proforma Consolidated Financial Information were prepared in accordance with the Financial Reporting Standards ("FRS") in Malaysia and in manner consistent with both the format of the financial statements and the accounting policies of the Sentoria Group.

10. FINANCIAL INFORMATION (Cont'd)



Our letter on the Proforma Consolidated Financial Information of the Sentoria Group as at 31 July 2011 is prepared solely for inclusion in this Prospectus. This letter is not to be reproduced, referred to in any other document, or used or relied upon for any other purpose without our prior written consent.

Yours faithfully,

A handwritten signature in black ink, appearing to read "SJ Grant Thornton", written over a horizontal line.

SJ GRANT THORNTON
NO. AF: 0737
CHARTERED ACCOUNTANTS

A handwritten signature in black ink, appearing to read "Dato' N.K. Jasani", written over a horizontal line.

DATO' N.K. JASANI
NO: 708/03/12 (J/PH)
PARTNER OF THE FIRM

10. FINANCIAL INFORMATION (Cont'd)

SENTORIA GROUP BERHAD
(Company No: 463344 K)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

PROFORMA CONSOLIDATED FINANCIAL INFORMATION**1. INTRODUCTION**

The Proforma Consolidated Financial Information has been prepared based on the audited financial statements of Sentoria Group Berhad ("Sentoria" or the "Company") and its subsidiary companies ("Sentoria Group" or the "Group") for the financial years ended ("FYE") 30 September 2008 to 2010 and financial period ended ("FPE") 31 July 2011 using the bases and the accounting principles consistent with those adopted in the audited financial statements of Sentoria Group after giving effect to the proforma adjustments which are considered appropriate.

The Proforma Consolidated Financial Information have been prepared for illustrative purposes only and, because of their nature, may not give a true picture of the actual financial position, financial results and cash flows of Sentoria Group.

2. LISTING SCHEME

The transaction in conjunction with and as an integral part of the listing and quotation of the entire enlarged issued and paid-up capital of Sentoria on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing") are as follow:

(i) Subdivision

The Company undertakes a subdivision of every one (1) ordinary share of RM1.00 each into five (5) subdivided shares of RM0.20 each in the Company ("Shares").

(ii) Bonus Issue

Bonus issue of 330,000,000 new Shares to the existing shareholders on the basis of thirty three (33) new Shares for every one (1) existing Share held in Sentoria.

(iii) Public Issue

Public issue of 60,000,000 new Shares ("Public Issue Shares"), representing 15.0% of the enlarged issued and paid-up capital of Sentoria and will be allocated and allotted in the following manner:-

(a) Malaysian Public via balloting

20,000,000 Public Issue Shares, representing 5.0% of the enlarged issued and paid-up share capital of Sentoria, to be allotted by way of balloting, will be made available for application by Malaysian citizens, companies, co-operatives, societies and institutions at an issue price of RM0.85 per Shares.

10. FINANCIAL INFORMATION (Cont'd)

SENTORIA GROUP BERHAD
(Company No: 463344 K)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**2. LISTING SCHEME (CONT'D)****(b) Eligible directors and employees**

10,000,000 Public Issue Shares, representing 2.5% of the enlarged issued and paid-up share capital of Sentoria, at an issue price of RM0.85 per Shares, reserved for the eligible directors and employees of Sentoria.

(c) Private Placement

30,000,000 Public Issue Shares, representing 7.5% of the enlarged issued and paid-up share capital of Sentoria by way of private placement to selected investors at an issue price of RM0.87 per Shares.

(iv) Offer for sale

Offer for sale of 40,000,000 representing 10.0% of enlarged issued and paid up share capital of Sentoria at an issue price of RM0.87 per Share, payable in full upon application, to Bumiputera investors approved by the Ministry of International Trade and Industry.

(v) Employee Share option Scheme ("ESOS")

In conjunction with the Listing, Sentoria proposes to implement an ESOS which entails the issuance of up to ten percent (10%) of Sentoria's issued and paid-up share capital at any one time pursuant to the options to be granted under the ESOS, to eligible Director and employees of Sentoria Group.

Thereafter, the entire enlarged issued and paid-up share capital of the Company comprising 400,000,000 Shares shall be listed on the Main Market of Bursa Securities.

3. BASIC OF PREPARATION OF PROFORMA CONSOLIDATED FINANCIAL INFORMATION

The Proforma Consolidated Financial Information has been prepared to illustrate that:-

- a) the consolidated financial results of Sentoria Group for the FYE 30 September 2008 to 2010 and FPE 31 July 2011;
- b) the financial position of the Sentoria Group as at 31 July 2011 adjusted for the Subdivision, Bonus Issue, Public Issue and utilisation of gross proceeds arising from Public Issue ("Utilisation of Listing Proceeds"); and

10. FINANCIAL INFORMATION (Cont'd)

SENTORIA GROUP BERHAD
(Company No: 463344 K)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**3. BASIC OF PREPARATION OF PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**

- c) the consolidated cash flows of Sentoria Group for the FPE 31 July 2011 adjusted for the Subdivision, Bonus Issue, Public Issue and Utilisation of Listing Proceeds.

The Proforma Consolidated Financial Information has been prepared in accordance with the provision of the Companies Act, 1965 and applicable Financial Reporting Standards ("FRS") issued by Malaysian Accounting Standard Board ("MASB") in Malaysia after incorporating adjustments that are appropriate for the preparation of the Proforma Consolidated Financial Information.

There were no extraordinary or exceptional items in all the financial years under review.

The Proforma Consolidated Statements of Financial Position together with the accompanying notes thereon, have been prepared based on accounting principles and bases consistent with those adopted in the preparation of audited financial statements of Sentoria and its subsidiary companies to illustrate the Consolidated Statements of Financial Position of the Sentoria Group assuming that all the transactions mentioned below had taken place on 31 July 2011:

(i) Proforma I

After incorporating the effect of Subdivision and Bonus Issue as stated in Section 2(i) and Section 2(ii).

(ii) Proforma II

After incorporating the effect of Proforma I and Public Issue as stated in Section 2(iii).

(iii) Proforma III

After incorporating the effect of Proforma II and Utilisation of Listing Proceeds amounting to RM51,600,000 as follows:

	RM'000
Repayment of bank borrowing	11,200
Purchase of property, plant and equipment	9,000
Working capital	27,700
Listing expenses	3,700
	51,600

The listing expenses are estimated at RM3,700,000 and will be potentially set off against the share premium account and unappropriated profit account.

10. FINANCIAL INFORMATION (Cont'd)

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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**4. PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

The Proforma Consolidated Statements of Comprehensive Income of Sentoria Group for the past three (3) FYE 30 September 2008 to 2010 and for the FPE 31 July 2011 as well as the unaudited comparative period for the FPE 31 July 2010 are provided for illustrative purposes only.

	←	Audited	→	Unaudited	Audited
	FYE	FYE	FYE	FPE	FPE
	30/9/2008	30/9/2009	30/9/2010	31/7/2010	31/7/2011
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	84,868	91,371	123,202	93,669	143,670
Cost of sales	(61,392)	(65,926)	(84,566)	(65,205)	(92,547)
Gross profit	23,476	25,445	38,636	28,464	51,123
Other income	1,450	1,462	809	506	2,304
Administration expenses	(5,083)	(7,298)	(14,800)	(13,160)	(17,631)
Other expenses	(91)	(4)	(19)	(1)	(212)
Finance cost	(361)	(446)	(2,068)	(1,524)	(2,023)
Profit before taxation ("PBT")	19,391	19,159	22,558	14,285	33,561
Taxation	(5,191)	(5,772)	(3,298)	(2,429)	4,646
Profit after taxation ("PAT")	14,200	13,387	19,260	11,856	38,207
Other comprehensive income	-	-	-	-	-
Total comprehensive income	14,200	13,387	19,260	11,856	38,207
Attributable to:-					
Owners of the Company	14,195	13,349	19,255	11,855	38,179
Non-controlling interest	5	38	5	1	28
	14,200	13,387	19,260	11,856	38,207
Earnings before interest expenses, taxation, depreciation and amortisation	20,798	21,382	27,760	18,407	38,866
Gross profit margin (%)	27.66	27.85	31.36	30.38	35.58
PBT margin (%)	22.85	20.97	18.31	15.25	23.36
PAT margin (%)	16.73	14.65	15.63	12.65	26.59
Effective tax rate (%)	26.77	30.13	14.62	17.00	(13.84)
Number of ordinary shares in issue# ('000)	400,000	400,000	400,000	400,000	400,000
Basic earnings per share ("EPS") (Sen)	3.55	3.35	4.82	2.96	9.55

Based on the issued and paid-up share capital of 400,000,000 ordinary shares (number of shares assumed to be issued upon completion of the Subdivision, Bonus Issue and Public Issue).

10. FINANCIAL INFORMATION (Cont'd)

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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)

5. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The Proforma Consolidated Statements of Financial Position of the Sentoria Group as at 31 July 2011 as set out below are provided for illustrative purposes only to show the effects of the transactions as mentioned in the Basis of Preparation of Proforma Consolidated Financial Information on the assumption that these transactions were completed on 31 July 2011:-

		As at 31 July 2011 RM'000	Proforma I RM'000	Proforma II RM'000	Proforma III RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5.1	89,030	89,030	89,030	98,030
Property, development costs	5.2	10,067	10,067	10,067	10,067
Investment property	5.3	3,345	3,345	3,345	3,345
Deferred tax assets	5.4	14,854	14,854	14,854	14,854
Goodwill on consolidation	5.5	3	3	3	3
Total non-current assets		117,299	117,299	117,299	126,299
Current assets					
Property development costs	5.2	42,370	42,370	42,370	42,370
Amount due from customers	5.6	3,945	3,945	3,945	3,945
Inventories	5.7	3,127	3,127	3,127	3,127
Trade receivables	5.8	40,325	40,325	40,325	40,325
Other receivables	5.9	5,752	5,752	5,752	5,752
Fixed deposits with licensed banks	5.10	2,790	2,790	2,790	2,790
Cash and bank balances	5.11	12,051	12,051	63,651	39,751
Total current assets		110,360	110,360	161,960	138,060
Total assets		227,659	227,659	279,259	264,359
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	5.12	2,000	68,000	80,000	80,000
Share premium	5.13	-	-	39,600	37,974
Revaluation reserve	5.14	2,271	2,271	2,271	2,271
Unappropriated profit	5.15	103,592	37,592	37,592	35,518
		107,863	107,863	159,463	155,763
Non-controlling interest	5.16	150	150	150	150
Total equity		108,013	108,013	159,613	155,913
Non-current liability					
Borrowings	5.17	39,801	39,801	39,801	28,601
Total non-current liability		39,801	39,801	39,801	28,601

10. FINANCIAL INFORMATION (Cont'd)

SENTORIA GROUP BERHAD
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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)

5. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

	As at 31 July 2011 RM'000	Proforma I RM'000	Proforma II RM'000	Proforma III RM'000
Current liabilities				
Amount due to customers	5.6	3,531	3,531	3,531
Trade payables	5.18	29,298	29,298	29,298
Other payables	5.19	31,068	31,068	31,068
Borrowings	5.17	10,284	10,284	10,284
Tax payable	5.20	5,664	5,664	5,664
Total current liabilities		79,845	79,845	79,845
Total liabilities		119,646	119,646	108,446
Total equity and liabilities		227,659	227,659	264,359
Number of ordinary shares in issue		10,000*	340,000	400,000
Net Tangible Assets per ordinary share of RM0.20 each (RM)		RM10.79	RM0.32	RM0.39
Net Assets per ordinary share of RM0.20 each (RM)		RM10.79	RM0.32	RM0.39

* Number of ordinary shares in issued assumed after completion of the Subdivision of shares of every one (1) ordinary share of RM1.00 each into five (5) subdivided shares of RM0.20 each.

10. FINANCIAL INFORMATION (Cont'd)

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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**5. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)****5.1 PROPERTY, PLANT AND EQUIPMENT**

The movement of the property, plant and equipment is as follows:-

Cost	RM'000
At 1 October 2010	68,871
Additions	33,517
Disposal	<u>(2,934)</u>
At 31 July 2011/Proforma I to II	99,454
Additions	<u>9,000</u>
Proforma III	<u>108,454</u>
 Accumulated depreciation	
At 1 October 2010	7,993
Charge for the period	3,237
Disposal	<u>(806)</u>
At 31 July 2011/Proforma I to III	<u>10,424</u>
 Net carrying amount	
At 31 July 2011/Proforma I to II	<u>89,030</u>
Proforma III	<u>98,030</u>

10. FINANCIAL INFORMATION (Cont'd)

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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)

5. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

5.2 PROPERTY DEVELOPMENT COSTS

	RM'000
Brought forward	
- Freehold land, at cost	2,205
- Long term leasehold land, at cost	13,379
- Development costs	<u>230,363</u>
	<u>245,947</u>
Costs incurred during the financial year	
- Freehold land	1,876
- Long term leasehold land	11,300
- Development costs	<u>73,314</u>
	<u>86,490</u>
Total	<u>332,437</u>
Cost recognised in the statement of comprehensive income	
- Previous year	(215,350)
- Current year	<u>(64,650)</u>
	<u>(280,000)</u>
Balance as at 31 July 2011/Proforma I to III	<u>52,437</u>
Current assets	42,370
Non-current assets	<u>10,067</u>

10. FINANCIAL INFORMATION (Cont'd)

SENTORIA GROUP BERHAD
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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**5. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)****5.3 INVESTMENT PROPERTY**

	RM'000
Cost	
At 31 July 2011/Proforma I to III	<u>3,389</u>
Accumulated amortisation	
At 31 July 2011/Proforma I to III	<u>44</u>
Net carrying amount	
At 31 July 2011/Proforma I to III	<u>3,345</u>

5.4 DEFERRED TAX ASSETS

The amount of deferred tax assets is as follows:-

	RM'000
At 31 July 2011/Proforma I to III	<u>14,854</u>

5.5 GOODWILL ON CONSOLIDATION

	RM'000
At 31 July 2011/Proforma I to III	<u>3</u>

10. FINANCIAL INFORMATION (Cont'd)

SENTORIA GROUP BERHAD
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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**5. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)****5.6 AMOUNT DUE FROM/ (TO) CUSTOMERS**

	RM'000
Cost incurred to date	3,945
Less: Progress billings to date	<u>(3,531)</u>
As at 31 July 2011/Proforma I to III	<u>414</u>
Amount due from customers	3,945
Amount due to customers	<u>(3,531)</u>
	<u>414</u>

5.7 INVENTORIES

	RM'000
As at 31 July 2011/Proforma I to III	
At cost:-	
Food, beverage and other hotel supplies	<u>3,127</u>

5.8 TRADE RECEIVABLES

	RM'000
Trade receivables	26,208
Accrued billing	14,284
Retention sums	<u>33</u>
	40,525
Less: Allowance for impairment	<u>(200)</u>
As at 31 July 2011/Proforma I to III	<u>40,325</u>

10. FINANCIAL INFORMATION (Cont'd)

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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**5. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)****5.9 OTHER RECEIVABLES**

	RM'000
Deposits	2,534
Non-trade receivables	3,181
Prepayments	<u>37</u>
As at 31 July 2011/Proforma I to III	<u>5,752</u>

5.10 FIXED DEPOSITS WITH LICENSED BANKS

	RM'000
At 31 July 2011/Proforma I to III	<u>2,790</u>

5.11 CASH AND BANK BALANCES

The movement of the cash and bank balances is as follows:-

	RM'000
At 31 July 2011/Proforma I	12,051
Proceeds from Public Issue	<u>51,600</u>
Proforma II	63,651
Utilisation of Listing Proceeds	
-Purchase of property, plant and equipment	(9,000)
-Repayment of bank borrowing	(11,200)
-Listing expenses	<u>(3,700)</u>
Proforma III	<u>39,751</u>

10. FINANCIAL INFORMATION (Cont'd)

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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)

5. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

5.12 SHARE CAPITAL

The movement of the issued and paid-up share capital of Sentoria is as follows:-

	RM'000
At 31 July 2011	2,000
Subdivision of every one (1) ordinary share of RM1.00 into five (5) subdivided share of RM0.20 each	2,000
Bonus Issue	66,000
Proforma I	68,000
Public Issue	12,000
Proforma II to III	80,000

5.13 SHARE PREMIUM

The movement of the share premium account is as follows:-

	RM'000
At 31 July 2011/Proforma I	-
Public Issue	39,600
Proforma II	39,600
Utilisation of Listing Proceeds – Estimated listing expenses	(1,626)
Proforma III	37,974

This is non-distributable reserve.

The estimated listing expenses for issuance of new shares of RM1,626,000 are to be written off against the share premium account under Section 60 of the Companies Act, 1965.

The remaining listing of RM2,074,000 (Note 5.15) will be expensed off to the Statements of Comprehensive Income and this represents a one-off expenditure pursuant to the Listings.

10. FINANCIAL INFORMATION (Cont'd)

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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**5. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)****5.14 REVALUATION RESERVE**

	RM'000
At 31 July 2011/ Proforma I to III	2,271

This is non-distributable reserve.

5.15 UNAPPROPRIATED PROFIT

The movement of the unappropriated profit is as follows:-

	RM'000
At 31 July 2011	103,592
Bonus Issue	(66,000)
Proforma I to II	37,592
Utilisation of Listing Proceeds – Estimated listing expenses (Note 5.13)	(2,074)
Proforma III	35,518

This is distributable reserve.

5.16 NON-CONTROLLING INTEREST

	RM'000
At 31 July 2011/ Proforma I to III	150

10. FINANCIAL INFORMATION (Cont'd)

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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**5. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)****5.17 BORROWINGS**

The movement of the borrowings are as follows:-

	RM'000
Current	
<u>Secured</u>	
Finance lease liabilities	446
Bank overdraft	1,523
Bankers' acceptance	2,915
Term loans	5,400
As at 31 July 2011/Proforma I to III	10,284
Non-current	
<u>Secured</u>	
Finance lease liabilities	1,224
Term loan	
more than 1 year but less than 5 years	28,732
more than 5 years	9,845
	38,577
As at 31 July 2011/Proforma I to II	39,801
Utilisation of Listing Proceeds	(11,200)
Proforma III	28,601

10. FINANCIAL INFORMATION (Cont'd)

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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**5. PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)****5.18 TRADE PAYABLES**

	RM'000
Trade debts payable	24,036
Retention sums	<u>5,262</u>
As at 31 July 2011/Proforma I to III	<u>29,298</u>

5.19 OTHER PAYABLES

	RM'000
Accrual	28,563
Non-trade payables	<u>2,505</u>
As at 31 July 2011/Proforma I to III	<u>31,068</u>

5.20 TAX PAYABLE

	RM'000
At 31 July 2011/ Proforma I to III	<u>5,664</u>

10. FINANCIAL INFORMATION (Cont'd)

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PROFORMA CONSOLIDATED FINANCIAL INFORMATION (CONT'D)**6. PROFORMA CONSOLIDATED STATEMENT OF CASH FLOWS**

The following is the Proforma Consolidated statement of cash flows of the Sentoria Group:-

	FPE 31/7/2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Profit before taxation	33,561
Adjustments for:-	
Amortisation of investment properties	44
Bad debt written off	18
Allowance for impairment loss on trade receivables	167
Interest expense	1,884
Interest income	(156)
Depreciation of property, plant and equipment	3,238
Allowance for impairment loss on other receivables no longer required	(18)
Gain on disposal of property, plant and equipment	(1,341)
Operating profit before working capital changes	37,397
Changes in working capital:-	
Property development cost	(20,636)
Inventories	180
Amounts due from/to customers	(347)
Trade and other receivables	15,981
Trade and other payables	3,540
Amount due to Directors	(1,027)
Cash generated from operations	35,088
Interest received	156
Interest paid	(1,884)
Tax paid	(7,525)
Net cash from operating activities	25,835

10. FINANCIAL INFORMATION (Cont'd)

SENTORIA GROUP BERHAD
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6. PROFORMA CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

	FPE 31/7/2011 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property, plant and equipment	(42,175)
Purchase of investment property	(3,389)
Uplift of fixed deposits	(111)
Proceeds from disposal of property, plant and equipment	661
Acquisition of non-controlling interests	(150)
	(45,164)
CASH FLOWS FROM FINANCING ACTIVITIES	
Net repayment of short term borrowings	(11,365)
Repayment of finance lease liabilities	(323)
Net drawdown of term loan	19,575
Payment of listing expenses	(3,700)
Proceeds from issuance of shares	51,600
	55,787
CASH AND CASH EQUIVALENTS	
Net increase	36,458
Brought forward	1,770
	38,228
Carried forward	38,228

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10. FINANCIAL INFORMATION (Cont'd)

SENTORIA GROUP BERHAD
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6. PROFORMA CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

NOTES TO CASH FLOW STATEMENTS

A. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the Statements of Cash Flows comprise the following Statements of Financial Position amounts:-

	RM'000
Cash and bank balances	39,751
Bank overdrafts	<u>(1,523)</u>
Carried forward	<u>38,228</u>

The Proforma Consolidated Statement of Cash Flows has been prepared based on the audited consolidated financial statements of Sentoria Group as at 31 July 2011, with the assumption that Subdivision, Bonus Issue, Public Issue and Utilisation of Listing Proceeds have been completed.

The Proforma Consolidated Statement of Cash Flows has been prepared based on accounting principles and basis consistent with those normally adopted in the preparation of audited consolidated financial statements of Sentoria Group.

←————— End of report —————→

10. FINANCIAL INFORMATION (Cont'd)**10.4 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS**

The following management's discussion and analysis of our Group's financial conditions and results of operations with respect to the past three (3) FYE 2008, 2009 and 2010 as well as the FPE 2010 and 2011, should be read in conjunction with the Accountants' Report and related notes as set out in Section 11 of this Prospectus.

This discussion and analysis contains forward-looking statements that involve risks and uncertainties. The actual results may differ significantly from those projected in the forward-looking statements. Factors that may cause future results to differ significantly from those included in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Prospectus, particularly the risk factors as set out in Section 3 of this Prospectus.

10.4.1 Overview of Operations

Our Group has two (2) complementary core business divisions, namely property development and leisure and hospitality. Our property development core business division specialises in developing township developments and resort city developments, while our leisure and hospitality core business division owns / leases, manages and operates the hotel / resorts and theme park facilities and attractions that we have built.

In township development, we focus on building residential and commercial properties. Within residential property developments, our Group has developed low-cost and low-medium cost housing, single-storey terrace houses, semi-detached houses and bungalows. Our Group has also developed shop offices within / near our residential properties to support the growth of communities essential in township development. In resort development, we develop theme parks and attractions for our leisure and hospitality core business division. We also develop resort suites that are sold, but managed by our leisure and hospitality core business division. Caribbean Bay, the first resort-style accommodation within Bukit Gambang Resort, was successfully sold on a sale and leaseback strategy to allow recognition of property development income, and at the same time, provide accommodation to support our other resort city offerings such as MICE and theme park attractions.

Please refer to Section 4.2.3 of this Prospectus for further details on our property development projects.

As part of our Group's strategy to create a sustainable business, we have ventured into the leisure and hospitality sector by constructing, managing and operating theme parks, attractions, hotels and resorts.

As at LPD, our leisure and hospitality core business division is involved in the management and operation of Caribbean Bay and Bukit Gambang Water Park, amongst others, which are all located in Bukit Gambang Resort as well as a hotel located in Taman Indera Sempurna 2, known as Sempurna Resort.

(i) Revenue

Revenue is recognised to the extent that it is probable that economic benefits will flow to our Group and the revenue can be reliably measured. The following specific revenue recognition criteria must also be met before revenue is recognised.

10. FINANCIAL INFORMATION (Cont'd)

- (a) Revenue from sale of development properties is accounted for by the stage of completion method in respect of all property units which have been sold. The stage of completion is determined by reference to the project costs incurred to-date to the total estimated costs where the outcome of the projects can be reliably estimated.
- (b) Revenue from construction contracts is accounted for by the stage of completion method where their outcome can be reasonably estimated. The stage of completion is determined by the proportion of costs incurred to date as compared to total costs. For this purpose, only those costs that reflect actual contract work performed are included as costs. Revenue from construction contracts represents the proportionate contract value on construction contracts attributable to the percentage of contract work performed during the financial year.
- (c) Revenue from leisure and hospitality core business division is accounted for and recognised upon delivery of products (i.e. revenue generated from sale of F&B and merchandises) and/or performance of services (i.e. revenue generated from room rental, theme park entrance fees, recreational activities and rental of function areas).

The table below set out the revenue analysis by activities and subsidiaries for the respective financial years / periods under review.

Revenue Analysis by Activities

	FYE 2008		FYE 2009		FYE 2010		FPE 2010		FPE 2011	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Property Development	84,868	100.0	88,253	96.6	85,120	69.1	61,123	65.3	100,189	69.7
Leisure and Hospitality	-	-	3,118	3.4	38,082	30.9	32,546	34.7	43,481	30.3
Total	84,868	100.0	91,371	100.0	123,202	100.0	93,669	100.0	143,670	100.0

Property Development

Revenue generated from property development activities contributed more than RM84.0 million for each of the three (3) FYE 2008, 2009 and 2010. These represented 100.0% and 96.6% of our Group total revenue for FYE 2008 and 2009 respectively. For FYE 2010, property development revenue contributed 69.1%, as our first full-year revenue from leisure and hospitality activities amounting to RM38.1 million contributed the remaining 30.9% of our total revenue.

For the past three (3) FYEs 2008, 2009 and 2010 as well as for the FPE 2010 and 2011, revenue from property development is mainly generated from Taman Indera Sempurna 2, Desa Hijauan and Bukit Gambang Resort (which includes Caribbean Bay and Arabian Bay).

Like most property developers, our property development operations are generally affected by the vagaries in property market conditions, pricing trends, standard of living, level of disposable income, demographic conditions as well as general economic, political and regulatory developments.

10. FINANCIAL INFORMATION (Cont'd)

Our revenue is generally dependent on the volume of properties we sell, the prices at which we secured the sales, the market response we obtain when we launch our properties, the timing of the launch and the progressive revenue recognition of our sales. The progressive revenue recognition of property sales is mainly dependent on the progress of construction and sales achieved for our properties.

Other than supply and demand conditions, we determine the sale price of our properties based on location, type of property and also affordability of our properties for our target customers.

Leisure and Hospitality

Our leisure and hospitality revenue is mostly derived from room rental, theme park entrance fees, F&B outlets, retail outlets, recreational activities and rental of function areas.

Our leisure and hospitality business commenced in the second half of 2009 with the opening of Sempurna Resort and Bukit Gombang Resort, which consist of Bukit Gombang Water Park, Caribbean Bay, Active Academy, MICE and function venues. As a relatively new player in the leisure and hospitality industry, we put in great effort and focus in marketing and promoting our integrated resort city as it is crucial to ensure our competitiveness in the industry. As a result, our leisure and hospitality business are able to achieve satisfactory revenue in its full year of operations in FYE 2010.

Our revenue for our leisure and hospitality business is heavily dependent on the number of guests, which we consider as the most important operating performance indicator. Although we are one of the largest integrated resort city in Malaysia, we are still subject to competition from other similar resorts in other states. As such, the pricing of room rates, theme park entrance fees and the other activities have significant direct impact on the number of guests to our resort city. In addition, the continuous maintenance of resort and hotel rooms in good condition and the introduction of new attractions in Bukit Gombang Resort are also important to sustain the continuous growth of number of guests.

Unlike our property development core business division, our leisure and hospitality core business division follow a seasonal pattern which coincides with festive periods, school holidays and public holidays.

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10. FINANCIAL INFORMATION (Cont'd)

Revenue Analysis by Companies

	FYE 2008		FYE 2009		FYE 2010		FPE 2010		FPE 2011	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<i>Property Development</i>										
Sentoria	16,798	19.8	11,301	12.4	3,214	2.6	2,500	2.7	75,500	52.6
Sentoria Bina	46,463	54.7	69,694	76.3	57,265	46.5	38,491	41.1	72,315	50.3
Sentoria Harta	84,468	99.5	82,434	90.2	52,432	42.6	33,098	35.4	79,475	55.3
Sentoria Alam	-	-	17,989	19.7	32,688	26.5	28,025	29.9	24,104	16.8
Sentoria Properties	-	-	-	-	-	-	-	-	-	-
Sentoria Resorts	-	-	-	-	-	-	-	-	-	-
Sentoria Alfa	549	0.7	1,951	2.1	375	0.3	-	-	700	0.5
	148,278	174.7	183,369	200.7	145,974	118.5	102,114	109.1	252,094	175.5
Consolidation adjustments	(63,410)	(74.7)	(95,116)	(104.1)	(60,854)	(49.4)	(40,991)	(43.8)	(151,905)	(105.8)
	84,868	100.0	88,253	96.6	85,120	69.1	61,123	65.3	100,189	69.7
<i>Leisure and Hospitality</i>										
Sentoria Themeparks	-	-	3,118	3.4	38,082	30.9	32,546	34.7	43,481	30.3
Sentoria Vacation Club	-	-	-	-	-	-	-	-	-	-
Total	84,868	100.0	91,371	100.0	123,202	100.0	93,669	100.0	143,670	100.0

During the periods under review, Sentoria Harta was the main contributor to our Group's property development revenue, except for FYE 2010, where we saw Sentoria Alam contributed more than 20% to our Group's property development revenue. Sentoria and Sentoria Bina mainly serve as internal in-house support to our Group's property development operation. Sentoria Themeparks is the only revenue contributor for our leisure and hospitality core business division. These companies were also the main contributors to the profitability of our Group during the years / periods under review.

For the years / periods under review, revenue from property development activities is mainly generated from Taman Indera Sempurna 2, Desa Hijauan and Bukit Gambang Resort. The revenue for our leisure and hospitality core business division (which commenced in second half of FYE 2009) is mostly derived from room rental, theme park entrance fees, F&B outlets, retail outlets, income generated via our recreational activities and income from MICE facilities, seminar rooms and other function areas.

Revenue Analysis by market / geographical

There is no analysis of revenue by market / geographical location as all revenue is derived from within Malaysia.

10. FINANCIAL INFORMATION (Cont'd)**(ii) Cost of Sales, GP and GP Margin****(a) Cost of sales**

Our costs of sales consist of property development and leisure and hospitality direct expenses. The table below set out the cost of sales analysis by activities and subsidiaries for the respective financial years / periods under review:-

Cost of Sales by Activities

	FYE 2008		FYE 2009		FYE 2010		FPE 2010		FPE 2011	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Property Development	61,392	100.0	60,618	91.9	62,049	73.4	45,148	69.2	67,362	72.8
Leisure and Hospitality	-	-	5,308	8.1	22,517	26.6	20,057	30.8	25,185	27.2
Total	61,392	100.0	65,926	100.0	84,566	100.0	65,205	100.0	92,547	100.0

Property Development

Cost of sales in property development operation consists of land costs, infrastructure cost, building construction costs such as earthwork, piling, structural and architectural works cost. Raw materials and direct labour cost are also among the major cost of sales. Apart from the aforementioned development and constructions cost, professional fees such as architects fees, civil and structural engineer fees, mechanical and electrical engineer fees, designers fees, legal fees and marketing expenses, statutory contributions are also part of property development cost of sales.

Whilst we have an in-house construction division, we engage certain sub-contractors for our projects from time to time as it is more cost effective to utilise their specialised skills rather than undertaking their respective functions from our in-house construction division. Such functions mainly include road works, earth works, concrete works, roofing and tiling works, amongst others, for our development projects. We have compiled and identified a list of preferred contractors to be invited for our tenders. Besides that, we also accept recommendations from our consultants. However, these new contractors may have to go through pre-qualification interviews and tender interviews with our management before engaging them. We select our preferred contractors based on various factors such as pricing, track record, financial strength, workmanship, quality, efficiency, reliability and staff capacity.

To ensure a quick turnaround time for our projects, we constantly evaluate and monitor the performance of our in-house construction division, sub-contractors and external professionals working with us. Our Group believes that timely commencement and completion of projects will ensure maximisation of revenue and profits for our Group.

10. FINANCIAL INFORMATION (Cont'd)***Leisure and Hospitality***

Cost of sales in our leisure and hospitality core business division mainly consists of payment of rental under the sales and leaseback arrangement to Caribbean Bay unit owners, direct salaries and direct costs related to the Caribbean Bay, Sempurna Resort and Bukit Gantang Water Park, purchases of F&B as well as merchandises to be sold in Bukit Gantang Resort and other direct operating overheads, such as utilities charges.

Cost of Sales Analysis by Companies

	FYE 2008		FYE 2009		FYE 2010		FPE 2010		FPE 2011	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<i>Property Development</i>										
Sentoria	13,897	22.6	7,265	11.0	247	0.3	218	0.3	-	-
Sentoria Bina	41,187	67.1	63,138	95.8	50,873	60.2	34,321	52.6	64,038	69.2
Sentoria Harta	68,248	111.2	66,082	100.2	41,589	49.2	26,449	40.6	57,720	62.4
Sentoria Alam	-	-	13,109	19.9	25,234	29.8	21,830	33.5	18,611	20.1
Sentoria Properties	7	Neg	-	-	-	-	-	-	-	-
Sentoria Resorts	-	-	-	-	-	-	-	-	-	-
Sentoria Alfa	513	0.8	1,782	2.7	343	0.4	-	-	667	0.7
	123,852	201.7	151,376	229.6	118,286	139.9	82,818	127.0	141,036	152.4
Consolidation adjustments	(62,460)	(101.7)	(90,758)	(137.7)	(56,237)	(66.5)	(37,670)	(57.8)	(73,674)	(79.6)
	61,392	100.0	60,618	91.9	62,049	73.4	45,148	69.2	67,362	72.8
<i>Leisure and Hospitality</i>										
Sentoria Themeparks	-	-	5,308	8.1	22,517	26.6	20,057	30.8	25,185	27.2
Sentoria Vacation Club	-	-	-	-	-	-	-	-	-	-
Total	61,392	100.0	65,926	100.0	84,566	100.0	65,205	100.0	92,547	100.0

Note:-

Neg Negligible

Cost of sales analysis by market / geographical

There is no analysis of cost of sales by market / geographical location as all cost of sales is derived within Malaysia.

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10. FINANCIAL INFORMATION (Cont'd)**(b) GP and GP Margin**

The tables below set out the GP and GP margin by activities and subsidiaries for the respective financial years / periods under review:-

GP and GP Margin by Activities

	FYE 2008		FYE 2009		FYE 2010		FPE 2010		FPE 2011	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
GP										
Property Development	23,476	100.0	27,635	108.6	23,071	59.7	15,975	56.1	32,827	64.2
Leisure and Hospitality	-	-	(2,190)	(8.6)	15,565	40.3	12,489	43.9	18,296	35.8
Total	23,476	100.0	25,445	100.0	38,636	100.0	28,464	100.0	51,123	100.0
GP Margin (%)										
Property Development	27.7		31.3		27.1		26.1		32.8	
Leisure and Hospitality	-		(70.2)		40.9		38.4		42.1	
Overall GP margin⁽¹⁾	27.7		27.8		31.4		30.4		35.6	

Note:-

(1) The overall GP margin was computed based on weighted average contributions from the property development and leisure and hospitality core business divisions.

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10. FINANCIAL INFORMATION (Cont'd)**GP and GP Margin by Companies****GP**

	FYE 2008		FYE 2009		FYE 2010		FPE 2010		FPE 2011	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<i>Property Development</i>										
Sentoria	2,901	12.3	4,036	15.8	2,967	7.7	2,282	8.0	75,500	147.7
Sentoria Bina Harta	5,276	22.4	6,556	25.7	6,392	16.5	4,170	14.7	8,277	16.2
Sentoria Alam	16,220	69.1	16,352	64.3	10,843	28.1	6,649	23.3	21,755	42.5
Sentoria Properties	-	-	4,880	19.2	7,454	19.3	6,195	21.8	5,493	10.7
Sentoria Resorts	(7)	Neg	-	-	-	-	-	-	-	-
Sentoria Alfa	-	-	-	-	-	-	-	-	-	-
	36	0.2	169	0.7	32	0.1	-	-	33	0.1
	24,426	104.0	31,993	125.7	27,688	71.7	19,296	67.8	111,058	217.2
Consolidation adjustments	(950)	(4.0)	(4,358)	(17.1)	(4,617)	(12.0)	(3,321)	(11.7)	(78,231)	(153.0)
	23,476	100.0	27,635	108.6	23,071	59.7	15,975	56.1	32,827	64.2
<i>Leisure and Hospitality</i>										
Sentoria Themeparks	-	-	(2,190)	(8.6)	15,565	40.3	12,489	43.9	18,296	35.8
Sentoria Vacation Club	-	-	-	-	-	-	-	-	-	-
Total	23,476	100.0	25,445	100.0	38,636	100.0	28,464	100.0	51,123	100.0

Note:-

Neg Negligible

GP Margin

	FYE 2008	FYE 2009	FYE 2010	FPE 2010	FPE 2011
	%	%	%	%	%
<i>Property Development</i>					
Sentoria	17.3	35.7 ⁽³⁾	92.3 ⁽³⁾	91.3	100.0
Sentoria Bina Harta	11.4	9.4	11.2	10.8	11.4
Sentoria Alam	19.2	19.8	20.7	20.1	27.4
Sentoria Properties	-	27.1	22.8	22.1	22.8
Sentoria Resorts	(⁽²⁾)	-	-	-	-
Sentoria Alfa	6.6	8.7	8.5	-	4.7
<i>Leisure and Hospitality</i>					
Sentoria Themeparks	-	(70.2)	40.9	38.4	42.1
Sentoria Vacation Club	-	-	-	-	-
Overall GP margin ⁽¹⁾	27.7	27.8	31.4	30.4	35.6

10. FINANCIAL INFORMATION (Cont'd)**Notes:-**

- (1) The overall GP margin was computed based on average contribution from the property development and leisure and hospitality core business divisions as well as after taking into consideration the consolidation adjustments.
- (2) The GP margin for Sentoria Properties for FYE 2008 was not applicable as there was no corresponding revenue due to its dormant status.
- (3) The GP margin of Sentoria has increased from 35.7% in FYE 2009 to 92.3% in FYE 2010 as the revenue generated by Sentoria for FYE 2010 was mainly management fees and there was no major corresponding cost incurred.

(iii) Other Operating Income

	FYE 2008		FYE 2009		FYE 2010		FPE 2010		FPE 2011	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Administrative income	342	23.6	160	10.9	287	35.5	136	26.9	578	25.1
Advertising income	-	-	86	5.9	2	0.2	2	0.4	-	-
Gain on foreign exchange - realised	-	-	240	16.4	-	-	-	-	-	-
Insurance commission income	152	10.5	55	3.8	35	4.3	30	5.9	52	2.3
Interest on fixed deposits	153	10.6	91	6.3	65	8.0	54	10.7	42	1.8
Interest on Housing Development Account	51	3.5	30	2.0	54	6.7	39	7.7	114	5.0
Stakeholders interest	60	4.1	10	0.7	60	7.4	42	8.3	17	0.7
Interest charge to buyer	104	7.2	16	1.1	17	2.1	15	3.0	19	0.8
Forfeiture deposits	281	19.4	30	2.0	131	16.2	40	7.9	118	5.1
Net gain on disposal of property, plant and equipment	183	12.6	-	-	-	-	-	-	1,341	58.2
Rental of premises	89	6.1	729	49.9	155	19.2	145	28.7	(13)	(0.6)
Sundry income	35	2.4	15	1.0	3	0.4	3	0.5	36	1.6
Total	1,450	100.0	1,462	100.0	809	100.0	506	100.0	2,304	100.0

Our other operating income mainly consists of income from administrative charges billed to certain sub-contractors for purchases of materials on their behalf for uses within our projects, interest income from fixed deposits, rental of premises and forfeiture income received due to cancellation of bookings made from potential buyers, amongst others.

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10. FINANCIAL INFORMATION (Cont'd)**(iv) Administration Expenses**

	FYE 2008		FYE 2009		FYE 2010		FPE 2010		FPE 2011	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Advertisement, entertainment and marketing distributions	173	3.4	96	1.3	326	2.2	250	1.9	941	5.3
Amortisation of goodwill	3	<i>Neg</i>	3	<i>Neg</i>	-	-	-	-	-	-
Amortisation and depreciation	412	8.1	1,099	15.1	2,608	17.6	2,153	16.4	3,033	17.2
Directors remuneration	1,137	22.4	1,231	16.9	1,460	9.9	1,228	9.3	1,829	10.4
Donation, insurance, quit rent and assessment	46	0.9	27	0.4	54	0.4	47	0.4	247	1.4
Legal and professional fees	176	3.5	181	2.5	200	1.4	330	2.5	332	1.9
Petrol, toll, parking and travelling expenses	82	1.6	181	2.5	406	2.8	318	2.4	526	3.0
Postage, printing and stationery	153	3.0	234	3.2	435	2.9	416	3.2	506	2.9
Rental charges	63	1.2	63	0.9	51	0.3	43	0.3	40	0.2
Security, uniform and compound	-	-	9	0.1	103	0.7	92	0.7	485	2.8
Staff costs	2,135	42.0	3,239	44.4	4,826	32.6	4,570	34.7	5,942	33.7
Upkeep and maintenance charges	440	8.7	535	7.3	1,205	8.1	1,049	8.0	1,181	6.7
Utilities, telephone and fax charges	162	3.2	361	4.9	3,078	20.8	2,646	20.1	2,530	14.3
Waive of interest for buyer	-	-	-	-	21	0.1	-	-	-	-
Other administrative expenses	101	2.0	39	0.5	27	0.2	18	0.1	39	0.2
Total	5,083	100.0	7,298	100.0	14,800	100.0	13,160	100.0	17,631	100.0

*Note:-**Neg Negligible*

The major components of our administration expenses comprise mainly salary and staff-related expenses, directors' remunerations and emoluments, utilities charges, amortisation and depreciation expenses, amongst others.

(v) Other expenses

Other expenses included non-recurrent expenses such as property, plant and equipment written off, loss on disposal of property, plant and equipment and allowance for impairment loss on trade and other receivables, amongst others.

(vi) Finance Costs

Our finance costs mainly consist of interest expenses incurred for bank overdrafts, bankers' acceptance, term loan, hire purchase and trade facilities granted by several financial institutions. Our borrowings are mainly utilised to finance the development cost of Arabian Bay, Bukit Gambang Water Park, Caribbean Bay, Sempurna Resort, payment of land premium (i.e. premium for alienation of land, conversion of land use from agricultural purposes to residential or commercial purposes, amongst others), acquisition of properties and general working capital.

10. FINANCIAL INFORMATION (Cont'd)**(vii) Taxation**

The statutory tax rate for our Group for the past three (3) FYE 2008 to 2010 were 26.0%, 25.0% and 25.0% respectively. For the financial years under review, our Group enjoy several tax benefits, such as utilisation of unabsorbed business losses and capital allowance. In addition, our Group also enjoy tax allowance incentives.

Tax allowance incentives

The Government of Malaysia provides a range of tax incentives for purposes of promotion of investment in selected industries which includes the tourism sector. One of our subsidiary companies, Sentoria Themeparks which is actively undertaking projects in Bukit Gambang Resort located within the ECER, is enjoying such tax incentives in the form of tax allowance incentives.

Sentoria Themeparks' income is entitled a tax exemption of an amount equivalent to the 100% of qualifying expenditure incurred within ten (10) years from the Year of Assessment ("YA") 2008 based on the letter of approval by ECERDC dated 2 December 2009. Therefore, in order to determine Sentoria Themeparks' total statutory income, it is necessary to ascertain the total qualifying expenditure incurred by Sentoria Themeparks during YA 2008 to 2017. Sentoria Themeparks' statutory income excludes rental income from Caribbean Bay, Arabian Bay, Mediterranean Bay Resort and Hawaiian Bay Resort. The tax allowance incentives approval granted is subject to the following conditions:

- (a) the project undertaken must be located within Gambang, Pahang Darul Makmur;
- (b) Sentoria Themeparks must incur investments of RM400 million in Phase 1 (YA 2008 - YA 2012);
- (c) Sentoria Themeparks must incur investments of RM600 million in Phase 2 (YA 2013 to YA 2017); and
- (d) the fulfilment by Sentoria Themeparks of at least four (4) of the following conditions:
 - (i) must have at least 30% equity from Bumiputera or a listed company in Bursa Securities;
 - (ii) must offer at least three (3) cultural program or handicraft products from ECER;
 - (iii) employs at least 70% full time employees;
 - (iv) acquire at least 50% of its supplies and services locally and provide business opportunities to local entrepreneur in ECER; or
 - (v) must spend at least 1% of the total staff cost on hotel, management and tourism training.

Our management will monitor closely to ensure the abovementioned conditions including any revision or modification thereto are fulfilled in order to enjoy the benefit of the tax allowance incentives.

For information purpose, as at 31 July 2011, the unutilised tax allowance incentives amounted to RM59.8 million.

10. FINANCIAL INFORMATION (Cont'd)*Unabsorbed business loss and capital allowance*

Due to the business losses incurred by certain of our subsidiaries (i.e. Sentoria Properties, Sentoria Resorts and Sentoria Themeparks), these subsidiaries are allowed to carry forward the prior year losses to offset against their future business income. In addition, our Group was also entitled to claim tax allowances on the purchases of non-current assets in form of capital allowance. These unabsorbed business losses and capital allowance were utilised to offset against taxable income.

For information purpose, as at 31 July 2011, the unabsorbed business losses and unutilised capital allowance amounted to RM2.6 million and RM1.1 million respectively.

10.4.2 Commentary on past performance*Comparison between FYE 2008 and FYE 2009***Revenue**

Overall revenue witnessed growth of 7.7%, mainly from property development business, which grew 4.0%. Additionally, FYE 2009 marks the commencement of our leisure and hospitality operation with the opening of our Bukit Gambang Water Park and Sempurna Resort in the second half of the financial year, which saw the revenue contribution to our Group being derived from property development as well as leisure and hospitality.

Property Development

Our property development revenue increased by RM3.4 million or 4.0% from RM84.9 million in FYE 2008 to RM88.3 million in FYE 2009. In FYE 2008, the revenue was mainly contributed from the sales of properties from earlier phase of Taman Indera Sempurna 2 and Caribbean Bay. In FYE 2009, the revenue was mainly contributed from the sales of properties from additional progress billings of Caribbean Bay and sales of properties from the new phase of the residential units in Taman Indera Sempurna 2. Due to our reputation from the development of earlier phases of Taman Indera Sempurna 2 in previous years, we are able to set a higher selling price for our newer phases. Furthermore, FYE 2009 also marked the debut of the residential and commercial projects in Desa Hijauan, which also contributed to the increase of our Group's overall revenue.

Leisure and Hospitality

Although the operation of Bukit Gambang Resort and Sempurna Resort commenced in the second half of the financial year under review, we were able to generate RM3.1 million or 3.4% of the FYE 2009 revenue. These were generated from the rental of suites and meeting rooms, the tickets sales of Bukit Gambang Water Park, sales of F&B and merchandises and income from recreational activities in Bukit Gambang Resort, amongst others.

The numbers of guests for Bukit Gambang Water Park surpassed the 10,000 mark in August 2009, despite being less than two (2) months in operations. Bukit Gambang Water Park contributed 47% of the leisure and hospitality revenue for FYE 2009. Additionally, Bukit Gambang Water Park and other Bukit Gambang Resort attractions also helped to attract guests to our Caribbean Bay resort accommodation suites, which contributed 28% of our leisure and hospitality revenue. Sempurna Resort contributed 25% of leisure and hospitality revenue.

10. FINANCIAL INFORMATION (Cont'd)

Cost of Sales, GP and GP Margin**Property Development**

Cost of sales of our property development operation decreased by RM0.8 million or 1.3% from RM61.4 million in FYE 2008 to RM60.6 million in FYE 2009. These cost of sales were mainly related to the construction and development of Taman Indera Sempurna 2, Caribbean Bay and Desa Hijauan. Although more projects were completed in FYE 2009, the fall in cost of sales was due to cost savings, such as lower labour cost, equipments rental, various fixed and variable expenses, that our Group enjoyed as we were able to complete certain properties, particularly certain blocks of Caribbean Bay and certain phases of Taman Indera Sempurna 2, as early as eleven (11) months ahead of schedule.

Our GP increased by RM4.2 million or 17.7% from RM23.4 million in FYE 2008 to RM27.6 million in FYE 2009. This increase was due to increase in revenue of 4.0% coupled with decrease in cost of sales of 1.3%. The GP margin also improved by 3.6% from 27.7% in FYE 2008 to 31.3% in FYE 2009. This increase was mainly due to increase in revenue from Caribbean Bay and reduction in the cost of sales as explained above. In addition, the newly launched Desa Hijauan's double-storey shop office project, which was able to fetch a better margin, also contributed to the overall higher margin for FYE 2009.

Leisure and Hospitality

Cost of sales mainly consists of F&B and direct staff costs. During the year, our leisure and hospitality operation recorded a gross loss of RM2.2 million.

This loss was due to the initial set up cost incurred for leisure and hospitality business even before the commencement of the operation of Bukit Gambang Resort and Sempurna Resort. These expenses included, amongst others, recruitment of operation staff (i.e. cashier at hotel front desk and ticket counters, lifeguards at the water park, operating staff for Active Academy and MICE facilities, amongst others), purchases of housekeeping materials, purchases of F&B cutleries and initial set up expenditure of retail outlets in Bukit Gambang Resort and Sempurna Resort.

Although our leisure and hospitality business only started to operate in the second half of the financial period under review and managed to garner encouraging response, the revenue generated was not sufficient to cover the initial set up cost and expenses for FYE 2009. These initial costs included mainly fixed and non-recurrent start up cost.

Other Income

The major components of other income in FYE 2009 mainly arose from rental of premises, realised gain on foreign exchange due to the purchase of water park slides as well as administrative charges to sub-contractors for purchase of materials on their behalf for uses within our projects. In FYE 2008, other income mainly derived from administrative charges for goods purchased on behalf, forfeiture charged to potential property buyers for cancellation of booking, gain on disposal of motor vehicles and machineries and interest income on fixed deposits.

10. FINANCIAL INFORMATION (Cont'd)**Administration Expenses**

Our administration expenses increased by RM2.2 million or 43.7% from RM5.1 million in FYE 2008 to RM7.3 million in FYE 2009. A substantial portion of this increase is due to recruitment of additional supporting staff (i.e. administrative and finance staffs) due to the set up of leisure and hospitality operation as well as increase in development activities such as construction of Bukit Gambang Resort, specifically Bukit Gambang Water Park and Desa Hijauan. In addition, there was also increase in the depreciation charges on buildings and water park equipment in Bukit Gambang Water Park amongst others, following the construction and operation of Bukit Gambang Water Park during the financial year. With the commencement of operation of Caribbean Bay and Bukit Gambang Water Park, we also saw an increase in upkeep and maintenance expenses.

Finance Costs

Our finance cost remains fairly consistent at RM0.4 million in FYE 2008 and 2009. These were interest incurred on our borrowing facilities as mentioned above.

For information purposes, despite the significant increase in our Group's borrowings in FYE 2009, which was utilised mainly for the development of Bukit Gambang Water Park and Sempurna Resort, majority of the interest charged on these borrowings were capitalised as cost of the abovementioned assets during the construction period in accordance with FRS123, *Borrowing Costs*.

Taxation

Our taxation increased by RM0.6 million or 11.2% from FYE 2008 to FYE 2009, which caused the effective tax rate to increase by 3.2% from 26.8% in FYE 2008 to 30.0% in FYE 2009.

The effective rate of taxation of our Group is higher than the statutory rate of taxation principally due to losses of our leisure and hospitality business which cannot be set off against the profits made by our property development business as no group relief are available. For illustration purposes, should the equal amount of losses be excluded, our Group PBT is RM22.8 million which is RM3.4 million higher as compared to FYE 2008. Accordingly, the effective tax rate is 25.3%, which is comparable to that of the effective tax rate of FYE 2008.

*Comparison between FYE 2009 and FYE 2010***Revenue***Property Development*

Our property development revenue remains fairly constant in comparison with the revenue of FYE 2009. In FYE 2010, despite the lesser progress billings generated from completion of Caribbean Bay, this was compensated from the progressive revenue recognition of the newly launched Arabian Bay project and also the higher percentage of progress billings attributable from Desa Hijauan (which was launched in FYE 2009).

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10. FINANCIAL INFORMATION (Cont'd)Leisure and Hospitality

Our leisure and hospitality revenue increased significantly by RM35.0 million from RM3.1 million in FYE 2009 to RM38.1 million in FYE 2010. This was due to a full year operation of Bukit Gambang Resort and Sempurna Resort in FYE 2010.

With the increasing popularity of Bukit Gambang Resort, there were significant increases in the number of guests to our resort, whereby we recorded approximately 521,000 guests in FYE 2010 from approximately 53,000 in FYE 2009. This contributed to the increase in revenue derived from rental of Caribbean Bay's resort suites and other incidental income such as F&B and recreational activities. Revenue contribution derived from our Bukit Gambang Water Park included sales of tickets, F&B as well as merchandises. For the FYE 2010, Caribbean Bay contributed 63% and Bukit Gambang Water Park contributed 33% of our leisure and hospitality revenue. The remaining 4% was derived from Sempurna Resort.

Cost of Sales, GP and GP MarginProperty Development

Our cost of sales increased by RM1.4 million or 2.4% from RM60.6 million in FYE 2009 to RM62.0 million in FYE 2010. This increase was in tandem with the higher percentage of completion of Taman Indera Sempurna 2, the on-going development of residential and commercial units in Desa Hijauan as well as the newly launched of the Arabian Bay project.

Our GP decreased by RM4.5 million or 16.5% from RM27.6 million in FYE 2009 to RM23.1 million in FYE 2010. In terms of GP margin, we experienced a fall of 4.2% from 31.3% in FYE 2009 to 27.1% in FYE 2010. The decrease in our overall GP margin was mainly due to the following:-

- (a) In FYE 2009, the sales of our properties from Desa Hijauan were mainly shop offices which have a higher margin. However for the FYE 2010, the sales from Desa Hijauan were mainly derived from low-cost and low-medium cost single-storey terrace houses, which have a lower margin. The change in product mix from commercial to affordable housing development also affects our GP margin accordingly.
- (b) There was additional construction costs incurred for the building of a ballroom and 11 meeting rooms (which does not form part of the initial construction plan of Caribbean Bay) to enhance the value of Caribbean Bay and hence resulted in the decrease in the GP margin of Caribbean Bay as well as the overall property development margin.

Leisure and Hospitality

Our cost of sales increased significantly by RM17.2 million from RM5.3 million in FYE 2009 to RM22.5 million in FYE 2010. In line with the increase in revenue from leisure and hospitality core business division, the significant increase in cost of sales was due to the full year recognition of cost of sales for FYE 2010. In addition, we also recognised a full financial year of monthly rental payment to the unit owners in Caribbean Bay under the sale and leaseback arrangement. This monthly rental payment represented 20% of the leisure and hospitality cost of sales. Other major costs of sales includes direct staff cost and purchases of F&B which represented 26% and 29% respectively.

10. FINANCIAL INFORMATION (Cont'd)

Our leisure and hospitality core business division generated a GP of RM15.6 million, which gave a GP margin of 40.9% for FYE 2010. The improvement of our GP margin was due to lesser start up cost incurred compared to the previous year. In addition, revenue from the rental of Caribbean Bay suites and sales of Bukit Gambang Water Park tickets, F&B and merchandises also contributed positive margin to our leisure and hospitality business.

Other Income

Overall, other income declined by RM0.7 million or 44.7% from FYE 2009 to FYE 2010. This decrease was mainly due to the fall in the rental of premises during the financial year.

Administration Expenses

Our administration expenses increased significantly by RM7.5 million or 102.7% from RM7.3 million in FYE 2009 to RM14.8 million in FYE 2010. This significant increase was mainly due to additional overheads incurred for the first full year of operation of our leisure and hospitality activities which resulted in higher staff costs, utilities charges, and upkeep and maintenance costs of Bukit Gambang Resort and Sempurna Resort. There was also an increase in the depreciation charges on the assets from the leisure and hospitality core business division.

Finance Costs

The finance costs increased significantly by RM1.6 million from RM0.4 million in FYE 2009 to RM2.1 million in FYE 2010. This increase was mainly due to the recognition of interest on the borrowings drawn down for the development of Bukit Gambang Water Park and Sempurna Resort which was previously capitalised as assets cost in FYE 2009. Following the completion of Bukit Gambang Water Park and Sempurna Resort by end FYE 2009, the interest on these borrowings are now charged out as finance cost (instead of being capitalised), in accordance with FRS 123, *Borrowing Costs*.

Taxation

Our taxation decreased by RM2.5 million or 42.9% from RM5.8 million in FYE 2009 to RM3.3 million in FYE 2010 despite an increase in PBT during the period under review. This is mainly due to the recognised of deferred tax assets in FYE 2010 of RM1.9 million which arise from our leisure and hospitality core business division.

Our effective tax rate for FYE 2010 is 14.6% as compared to 30.1% in FYE 2009. This is mainly due to the aforementioned deferred tax asset being recognised during the period under review.

Comparison between FPE 2010 and FPE 2011**Revenue****Property Development**

Our property development revenue increased significantly by RM39.1 million or 63.9% from RM61.1 million in FPE 2010 to RM100.2 million in FPE 2011. The increase was due to additional progress billings generated from Arabian Bay (which was only launched in FYE 2010) and Desa Hijauan. Other sources of income are also derived from additional billings for Block D of Taman Indera Sempurna 2 as well as new billings for Blocks E and F of Taman Indera Sempurna 2 in FPE 2011.

10. FINANCIAL INFORMATION (Cont'd)Leisure and Hospitality

Our leisure and hospitality revenue also increased by RM11.0 million or 33.8% from RM32.5 million in FPE 2010 to RM43.5 million in FPE 2011. The revenue contribution from Caribbean Bay in FPE 2010 and 2011 was RM18.4 million and RM24.9 million respectively whilst the revenue derived from Bukit Gambang Water Park during the same periods was RM13.0 million and RM16.7 million respectively. For FPE 2011, Caribbean Bay contributed 57.2% and Bukit Gambang Water Park contributed about 38.4% of our leisure and hospitality revenue and the remaining 4.4% was contributed by Sempurna Resort's operation.

In addition, we were able to increase the average spending per person within Bukit Gambang Water Park from RM27 in FPE 2010 to RM32 in FPE 2011 due to the increase of our water park entrance fees and increase in spending on F&B and merchandises within Bukit Gambang Resort. We also saw an increase in the average room occupancy rate for Caribbean Bay from 24.2% in FPE 2010 to 30.5% in FPE 2011.

Cost of Sales, GP and GP MarginProperty Development

Our cost of sales increased by RM22.3 million or 49.4% from RM45.1 million in FPE 2010 to RM67.4 million in FPE 2011 which was in line with the increase in revenue, arising from a higher percentage of completion in Taman Indera Sempurna 2, Desa Hijauan and Arabian Bay.

Our GP increased RM16.8 million or 105.0% from RM16.0 million in FPE 2010 to RM32.8 million in FPE 2011, was in line with the increase in revenue.

In term of GP margin, we saw an increase from 26.1% in FPE 2010 to 32.8% in FPE 2011 in our property development operation. This increase was mainly contributed from higher margin recorded from Arabian Bay development as we were able to fetch a higher selling price as compared with Caribbean Bay. Additionally, we are also able to better control our development costs as Arabian Bay is similar in nature to Caribbean Bay (our maiden resort style accommodation) and hence we are able to improve on the planning and execution process during our Arabian Bay development.

Leisure and Hospitality

Our cost of sales increased by RM5.1 million or 25.4% from RM20.1 million in FPE 2010 to RM25.2 million in FPE 2011. This increase was mainly in line with the increase in revenue recorded in the same corresponding period under review.

The GP margin from the leisure and hospitality operations also saw an improvement from 38.4% in FPE 2010 to 42.1% in FPE 2011. This positive result was partially a result of the increase in ticket price for Bukit Gambang Water Park during FPE 2011, increase in Caribbean Bay's occupancy rate from 24.2% in FPE 2010 to 30.5% in FPE 2011 and better monitoring and control of our operational costs.

Other Income

Other income increased by RM1.8 million or 360.0% from RM0.5 million in FPE 2010 to RM2.3 million in FPE 2011. The increase was mainly derived from a gain on disposal of a piece of land in Cheras Jaya and sale of our corporate office during FPE 2011. In addition, there was income from forfeiture of deposits due to cancellation of bookings from potential buyers and administrative charges billed to certain suppliers and/or subcontractors.

10. FINANCIAL INFORMATION (Cont'd)**Administration Expenses**

Our administrative expenses increased by RM4.4 million or 33.3% from RM13.2 million in FPE 2010 to RM17.6 million in FPE 2011. The increase was caused by additional expenses incurred on staff costs as well as advertisement, entertainment and marketing distribution expenses due to expansion of business activities, directors' remuneration and additional depreciation charges on assets from leisure and hospitality operation, amongst others.

Finance Costs

Our finance costs increased by RM0.5 million or 33.3% from RM1.5 million in FPE 2010 to RM2.0 million in FPE 2011 due to additional term loan being drawn down which resulted in higher interest expenses in FPE 2011.

Taxation

For FPE 2011, we saw a tax credit amounting to RM4.6 million. This was mainly due to additional deferred tax assets of RM12.2 million which arise from our leisure and hospitality core business division from its unabsorbed business losses, unutilised capital allowance and unutilised tax allowance incentives as well as certain non-chargeable income amounting to RM0.2 million.

For illustration purposes, should the above be excluded, our Group's tax provision for FPE 2011 would have been RM7.6 million, representing an effective tax rate of 22.7%, which is close to the statutory tax rate of 25%.

10.4.3 Factors Affecting Future Financial Conditions and Results

The main factors that have affected and expected to affect the results of our Group's financial conditions and operation results, are substantially similar to those affecting us historically and the industries we operate in.

Our property development core business division's performance are influenced by, amongst others, the success sales rate of our development properties, timely completion and delivery of our properties within the intended time frame, the economic condition of Malaysia, the construction and development cost of the properties development and availability of strategic location of land banks.

As for our leisure and hospitality core business division's performance, the upgrading and introduction of new attractions in our resort city, water theme park and activities, maintaining the prices at a competitive levels, controlling the operating cost at a reasonable level, and the up-keeping and maintaining our resort city at high quality standard, are amongst factors that affected and expected to affect the results of our Group's financial conditions and operation results.

Further details on the factors that affect the financial conditions and results of our Group as well as our Group mitigating strategies are set out in Section 3 of this Prospectus.

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10. FINANCIAL INFORMATION (Cont'd)

10.4.4 Impact of foreign exchange / interest rates / commodity prices

Our business operations and customers are primarily within Malaysia. As such, there is no material impact of foreign exchange on the operating profits of our Group for the past three (3) FYE 2008 to FYE 2010 and FPE 2011. Accordingly, we do not require any hedging policies nor have we entered into any forward contracts in respect of our foreign exchange exposure.

Similar for our leisure and hospitality operation, all our transactions are traded in RM and accordingly, there was no exposure to foreign exchange impact.

As at LPD, our Group's total short-term and long-term bank borrowings amounted to RM51.9 million. All the bank borrowings of our Group are interest bearing. Given that the interest charged on bank borrowings is dependent on interest rates and the total outstanding loans, future fluctuation of interest rates could affect our Group's profitability.

Certain raw materials used by our Group are commodities of which the prices fluctuate according to world prices. In some situations, increases in the price of raw materials might not be immediately passed onto the end-users. If costs of raw materials escalate after the sale of the properties to the customer, we are unable to factor such increase in our selling prices. This may impact on the margins of our Group. However, in order to ensure constant supply of our raw materials and to ensure our purchases at competitive rates, our Group endeavours to maintain long-term relationships with our suppliers.

There was no material impact of foreign exchange, interest rates and commodity prices on our historical profits for the financial years under review.

10.4.5 Impact of inflation

There was no material impact of inflation on our Group's historical financial results for the past three (3) FYEs 2008 to FYE 2010 and FPE 2011.

10.4.6 Government / economic / fiscal / monetary policies

Risks relating to government, economic, fiscal or monetary policies or factors which may materially affect our operations are as set out in Section 3 of this Prospectus.

There is no material impact of government, economic, fiscal or monetary policies or factors on our historical profits for the past three (3) FYEs 2008 to FYE 2010 and FPE 2011.

10.5 LIQUIDITY AND CAPITAL RESOURCES**10.5.1 Working Capital**

Our operations are funded by a combination of internal and external sources of funds. Internal sources of funds comprise mainly cash generated from our development projects and leisure and hospitality operations, credit from suppliers, cash and bank balances while external source of funds comprise to an extent borrowings from banks and shareholders' advances.

10. FINANCIAL INFORMATION (Cont'd)

The principal use of these funds are for working capital purposes such as purchases of raw materials and financing operating expenses, capital expenditure, repayment of loans and advances, payment of salaries as well as up-keeping and the maintaining of the resort city. As at 31 July 2011, our Group have cash and bank balances of RM12.1 million (including an amount of RM9.4 million held under Housing Development Accounts) and total borrowings of RM50.1 million. Our Groups debt to equity ratio as at 31 July 2011 is 0.46 times and current ratio of 1.38 times, which is expected to improve to 1.73 times following the Public Issue.

For information purpose only, out of the RM9.4 million held under Housing Development Accounts, approximately RM6.1 million is expected to be withdrawn within one (1) year, while the remaining RM3.3 million is expected to be withdrawn within two (2) years. While monies are held under Housing Development Accounts, withdrawals are allowed for the defrayment of certain costs such as payment of premiums, outgoings and expenses in respect of the land on which the housing development is carried out, consultants' fees, cost of carrying out development and building works, applications for utilities supply, payment for land/capital cost and financing costs and administrative expenses under Section 7 of the Housing Development Regulations 1991.

Our Board is of the opinion that, after taking into consideration of the cash flow position, banking facilities available and the nets proceeds from Public Issue, our Group will have sufficient working capital for a period of 12 months from the date of this Prospectus.

10.5.2 Cash Flow

A summary of our Group's cash flow statement for the past three (3) FYEs 2008, 2009 and 2010 as well as FPE 2011 is as follows:-

	FYE 2008	FYE 2009	FYE 2010	FPE 2011
	RM'000	RM'000	RM'000	RM'000
Net cash generated from operating activities	5,903	24,362	9,537	25,835
Net cash used in investing activities	(3,098)	(48,404)	(3,972)	(36,164)
Net cash generated from financing activities	539	17,255	(716)	19,087
Net increase in cash and cash equivalents	3,344	(6,787)	4,849	8,758
Cash and cash equivalents at beginning of the financial period	364	3,708	(3,079)	1,770
Cash and cash equivalents at end of the financial period	3,708	(3,079)	1,770	10,528

Save and except for the restrictive covenants under loan documentation entered into by our Group, our Directors are of the opinion that there are no legal or economic restrictions on the ability of our subsidiaries to transfer funds to our Company in the form of cash dividends, loans or advances and we can reasonably meet our cash obligations.

10. FINANCIAL INFORMATION (Cont'd)

FYE 2008**Net cash generated from operating activities**

For FYE 2008, our Group generated operating profit (excluding non-cash items) before working capital changes amounting to RM20.6 million. However, after adjusting for working capital changes which resulted in cash outflow of RM11.0 million and payment of taxation of RM3.4 million, our Group generated net cash from operating activities of RM5.9 million.

The changes in working capital were mainly due to the increase in property development cost amounting to RM14.1 million for the development of on-going projects namely Caribbean Bay and Block B of Taman Indera Sempurna 2. In addition, there was increase in trade and other receivables of RM10.8 million during the financial year. These were offset by the increase in trade and other payables as well as movement in amount due from/to customers amounting to RM9.8 million and RM3.3 million respectively.

Net cash used in investing activities

For FYE 2008, our Group recorded net cash used in investing activities of RM3.1 million. This was mainly due to purchase of motor vehicles and plant and machinery for property development purposes.

Net cash generated from financing activities

For FYE 2008, our Group recorded net cash generated from financing activities of RM0.5 million. This was mainly due to the increase in the net drawdown of term loans and short term borrowing amounting to RM0.7 million and RM0.2 million respectively. This increase in borrowing was offset by the repayment to certain hire purchase creditors amounting to RM0.3 million during the financial year.

FYE 2009**Net cash generated from operating activities**

For FYE 2009, our Group generated operating profit (excluding non-cash items) before working capital changes amounting to RM21.3 million. However, after adjusting for working capital changes which resulted in cash inflow of RM6.2 million and payment of taxation of RM2.8 million, our Group generated net cash from operating activities of RM24.4 million.

The changes in working capital were mainly due to the increase in trade and other payables of RM14.6 million and decrease in property development cost amounting to RM5.1 million. The fall in property development cost was due to the completion of Caribbean Bay and Block B of Taman Indera Sempurna 2. However, this was offset by the movement in the amount due from/to customers amounting to RM12.4 million and the increase in inventories (i.e. mainly F&B and others hotel supplies) of RM1.3 million.

Net cash used in investing activities

For FYE 2009, our Group recorded net cash used in investing activities of RM48.4 million. As a result of the development in Bukit Gambang Resort, the Group had increased its assets profile with the inclusion of the leisure and hospitality properties such as Bukit Gambang Water Park as well as Caribbean Bay's club house and car park. In addition, there was also purchase of furniture, fittings and other equipments for Caribbean Bay and Sempurna Resort of RM6.1 million.

10. FINANCIAL INFORMATION (Cont'd)

Net cash generated from financing activities

For FYE 2009, our Group recorded net cash generated from financing activities of RM17.3 million. This was mainly due to the drawdown of borrowing of RM17.6 million to fund the development of Caribbean Bay, Bukit Gambang Water Park and Sempurna Resort, amongst others.

FYE 2010**Net cash generated from operating activities**

For FYE 2010, our Group generated operating profit (excluding non-cash items) before working capital changes amounting to RM27.5 million. However, after adjusting for working capital changes which resulted in cash outflow of RM9.1 million, payment of interest on borrowings and taxation of RM1.9 million and RM7.1 million respectively, our Group generated net cash from operating activities of RM9.5 million.

The changes in working capital were mainly due to the increase in property development cost amounting to RM2.6 million for the development of on-going projects namely, Block D of Taman Indera Sempurna 2, Phase 1 of Desa Hijauan and Arabian Bay. In addition, there were also increase in trade and other receivables amounting to RM6.9 million, increase in inventories (i.e. F&B and others hotel supplies) amounting to RM1.8 million and movements in the amount due from/to customers of RM2.1 million. These were offset by the net increase in trade and other payables of RM4.3 million.

Net cash used in investing activities

For FYE 2010, our Group recorded net cash used in investing activities of RM4.0 million. This was mainly due to purchase of additional furniture, fittings and other equipments for Caribbean Bay and Sempurna Resort as well as some upgrading works undertaken for Bukit Gambang Resort and Sempurna Resort.

Net cash generated from financing activities

For FYE 2010, our Group recorded net cash outflow from financing activities of RM0.7 million. This was mainly due to the repayment of short term borrowings and certain hire purchase creditors amounting to RM1.2 million and RM0.3 million respectively. However, this was offset by a net drawdown of term loans of RM0.9 million during the financial year.

FPE 2011**Net cash generated from operating activities**

For FPE 2011, our Group generated operating profit (excluding non cash-items) before working capital changes amounting to RM37.4 million. However, after adjusting for working capital changes which resulted in cash outflow of RM2.3 million, payment of interest on borrowing and taxation of RM1.8 million and RM7.5 million respectively, our Group generated net cash from operating activities of RM25.8 million.

The changes in working capital were mainly due to the increase in the property development cost amounting to RM20.6 million for the development of the on-going projects namely, Arabian Bay, Phase 2 of Desa Hijauan as well as Block E and F of Taman Indera Sempurna 2. These were offset by the net decrease in trade and other receivables of RM16.0 million and net increase in trade and other payables as well as amount due to Directors of RM2.5 million.

10. FINANCIAL INFORMATION (Cont'd)**Net cash used in investing activities**

For FPE 2011, our Group recorded net cash used in investing activities of RM36.2 million. This was mainly due to additions to our property, plant and equipments for Bukit Gambang Resort, consisting mainly construction of main water supply, road works, amongst others as well as acquisition of investment properties amounting to RM32.5 million and RM3.4 million respectively.

Net cash generated from financing activities

For FPE 2011, our Group recorded net cash generated from financing activities of RM19.1 million. This was mainly due to the increase in the net borrowing of RM19.6 million. This increase in the drawdown of term loans was mainly for the payment of the land premium as well as the construction of Arabian Bay. This was offset by the repayment to certain hire purchases creditors and repayment of certain short term borrowings during the financial period under review.

10.5.3 Borrowings

As at LPD, the total borrowings of our Group are in form of term loan, bank overdrafts, bankers' acceptance, hire purchase and trade facilities amounted to RM51.9 million. All borrowings of our Group are interest bearing.

Our Group's total bank borrowings for FYE 2008 to FYE 2010 and FPE 2010 and 2011 can be further analysed as follows:-

Borrowings	FYE 2008	FYE 2009	FYE 2010	FPE 2010	FPE 2011
	RM'000	RM'000	RM'000	RM'000	RM'000
Long term borrowings	3,457	22,167	18,920	21,912	39,801
Short term borrowings	9,492	12,678	13,839	11,424	10,284
Total Borrowings	12,949	34,845	32,759	33,336	50,085
Gearing ratio (times)	0.35	0.69	0.47	0.54	0.46

As at 31 July 2011, Our Group does not have any borrowings in foreign currency.

Our Group has not defaulted on payments of principal sums and/or interests in respect of any borrowings from FYE 2008 to 2010 and FPE 2011 and the subsequent financial period up to LPD.

10.5.4 Breach of Terms and Conditions / Covenants Associated with Credit Arrangement / Bank Loan

To the best of our Directors' knowledge, as at LPD, neither we nor our subsidiaries are in breach of any terms and conditions or covenants associated with credit arrangements or bank loans, which can materially affect our financial position and results or business corporations, or the investments by holders of securities in our Company and/or our subsidiaries.

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10. FINANCIAL INFORMATION (Cont'd)

10.5.5 Types of Financial Instrument Used

For the FYEs 2008 to 2010 and FPE 2011, our Group's financial instruments consists mainly cash and bank balances, trade and other receivables, trade and other payables and borrowings. As at the LPD, we do not have nor are we using any financial instruments for hedging purpose.

10.5.6 Treasury Policies and Objective

We have been financing our operations through a combination of internal and external sources of funds. Internal sources of funds comprise of mainly cash generated from operations, share capital and credit from suppliers, while external sources of funds comprise mainly borrowings from banks and shareholders' advances.

We have short-term and long-term bank borrowings facilities available to our Group. Our short-term bank borrowings comprise mainly bank overdrafts and trade facilities, which are used to finance working capital, payment of suppliers and sub-contractors, purchases of materials and to defray other expenses such as staff salaries and allowances, sales and marketing expenses. The interest rates for our short-term bank borrowings are based on the market rates prevailing at the dates of the respective transactions.

Our long-term bank borrowings are mainly term loans and hire purchases obtained to finance capital expenditure and property development activities. The interest rates for our term loans are based on the prevailing base lending rate plus a margin agreed upon by our bankers when the respective term loans were granted.

We conduct our operations in RM and as such, our Group is not exposed to foreign exchange. Accordingly, we do not have any hedging policies nor have we entered into any forward contracts in respect of any foreign exchange exposure. Our cash and cash equivalents are maintained in RM.

10.5.7 Material Litigation, Contingent Liabilities and Material Commitments**(a) Material Litigation/Arbitration**

As at LPD, neither our Company nor any of our subsidiaries are engaged in any material litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of our Company or our subsidiaries and our Directors are not aware of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of our Company or our subsidiaries.

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10. FINANCIAL INFORMATION (Cont'd)**(b) Contingent Liabilities**

Save as disclosed below, as at LPD, our Directors are not aware of any material contingent liabilities, which upon becoming enforceable may have a material impact on the financial position of our Group.

Contingent Liabilities	RM'000
Bank guarantee given to local authorities for property development	4,485

(c) Material Commitments

As at LPD, our Directors are not aware of any material commitment for capital expenditure which may have a material effect on the financial position of our Group.

10.5.8 Key Financial Ratios

The key financial ratios of our Group for the past three (3) FYEs 2008 to 2010 as well as for the FPE 2010 and 2011 based on the closing balances are as follows:-

	FYE 2008	FYE 2009	FYE 2010	FPE 2010 ⁽¹⁾	FPE 2011 ⁽¹⁾
Current ratio (times)	1.4	1.2	1.3	1.3	1.4
<i>Property Development</i>					
Trade receivables turnover period ⁽²⁾ (months)	1.5	2.0	0.9	1.6	2.4
Trade payables turnover period ⁽³⁾ (months)	5.2	5.6	3.6	3.9	3.2
Inventories turnover period (months)	Neg	-	-	-	-
<i>Leisure and Hospitality</i>					
Trade receivables turnover period (months)	-	⁽⁴⁾ 0.1	0.3	0.2	0.6
Trade payables turnover period (months)	-	⁽⁴⁾ 2.9	2.8	2.9	0.9
Inventories turnover period (months)	-	⁽⁴⁾ 0.6	1.8	1.0	1.2

Notes:-

- (1) Turnover financial ratios for 31 July 2010 and 31 July 2011 were computed after interpolated into ten (10) months.
- (2) Property development trade receivables turnover period computation excludes accrued billings and retention sums.
- (3) Property development trade payables turnover period computation excludes retention sums.
- (4) After interpolated into two (2) months.
Neg Negligible

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10. FINANCIAL INFORMATION (Cont'd)**(a) Current Ratio**

The current ratio of our Group for the past three (3) FYEs 2008 to 2010 as well as for the FPE 2010 and 2011 have been in the range of 1.2 times to 1.4 times.

(b) Trade Receivables

The ageing analysis of our Group's trade receivables as at 31 July 2011 is as follows:-

	Within Credit Period RM'000	Exceeding Credit Period By			Total RM'000
		0-30 days RM'000	31-60 days RM'000	More than 60 days RM'000	
<i>Property development</i>					
Trade receivables ⁽¹⁾	9,676	1,816	3,888	8,275	23,655
% of trade receivables	40.9	7.7	16.4	35.0	100.0
<i>Leisure and hospitality</i>					
Trade receivables	2,024	183	4	342	2,553
% of trade receivables	79.3	7.2	0.2	13.4	100.0

Note:-

(1) *Property development trade receivables exclude accrued billings and retention sums.*

The normal credit period granted to our customers ranges from 21 days to 60 days.

Property Development

The credit terms granted to our property buyers are determined based on the terms as stated in the sales and purchase agreements.

Our trade receivables turnover ratio for the financial periods under review was within our normal credit period. This was mainly due to our Group policy and the industry practice, whereby the potential buyer would usually have to secure a bank borrowing for the purchase of our property. In such an arrangement, we are able to receive the schedule payment from the respective bank within the normal credit term.

The trade receivables outstanding exceeding the credit period are mainly due from purchasers who either financed the purchase of properties via government loan or awaiting for initial disbursement from the end financiers due to documentation process.

Pursuant to the Third Schedule of Schedule G (for landed property developments) and Schedule H (for strata title property developments) of the Housing Development (Control & Licensing) Regulations 1989, in respect of residential properties purchased directly from developers, the final 5% of the progressive purchase price payable under the schedule of payment of purchase price for properties governed by the Housing Development (Control & Licensing) Act 1966 must be paid to and retained by the solicitors acting for the developer as stakeholder.

10. FINANCIAL INFORMATION (Cont'd)

The stakeholder is authorised to release 50% of the 5% stakeholder sum to the developer at the expiry of 6 months after the date the purchaser of the property takes vacant possession of the property and the balance 50% of the stakeholder sum may be released at the expiry of 18 months after the purchaser takes vacant possession. Such 18 months compulsory retention period is in line with the 18 months defect liability period prescribed under the Housing Development (Control & Licensing) Regulations 1989 for developers to rectify any defects or faults in properties constructed by developers. It is worth noting that approximately 33% of the total trade receivables balances exceeding the credit period comprise of stakeholder sums held by the Sentoria Group's solicitors which are yet to have been released to the Sentoria Group pending the expiration of the applicable retention period ("**Stakeholder Sums**").

As at LPD, approximately RM8.1 million which is equivalent to 57.9% of the total trade receivables balances exceeding the credit period of RM14.0 million has been collected and the remaining uncollected balances mainly relates to the Stakeholder Sums.

Leisure and Hospitality

As most of the transactions are cash basis, the trade receivables from leisure and hospitality business are minimum. As shown above, the trade receivables turnover period and these was maintained less than one month for the periods under review. Trade receivables were mainly amount due from government agencies and/or corporations who engaged our resort for larger / more extensive events. Although some of these receivables had exceeded our normal credit terms, we are confident that these amounts are collectable due to our continuing business with them.

Notwithstanding the above, there were subsequent collections from these trade receivables amounting to RM2.1 million as at LPD, of which approximately 15.7% of these collections related to the trade receivables balances exceeding the credit period of RM0.5 million.

(c) Trade Payables

The ageing analysis of our Group's trade payables as at 31 July 2011 is as follows:-

	Within Credit Period		Exceeded Credit Period > 60 days	Total
	0-30 days	31-60 days		
	RM'000	RM'000	RM'000	RM'000
<u><i>Property development</i></u>				
Trade payables ⁽¹⁾	10,619	4,675	6,573	21,867
% of trade payables	48.5	21.4	30.1	100.0
<u><i>Leisure and hospitality</i></u>				
Trade payables	1,791	68	310	2,169
% of trade payables	82.6	3.1	14.3	100.0

Note:-

(1) *Property development trade payables exclude retention sums.*

10. FINANCIAL INFORMATION (Cont'd)

Property Development

Trade payables captured in the property development business are mainly amounts due to suppliers and sub-contractors.

It is our policy to select our suppliers based on factors such as credit terms, reliability and quality of supplies. The normal credit terms given by our suppliers and sub contractors range from 30 days to 60 days, unless we have negotiated with them for specific repayment terms.

Trade payables turnover period are higher (compared to our trade receivables) mainly due to amount owing to sub-contractors whereby the work done require a longer period to finalise to ensure that it meets specifications and there are minimum defects. In certain circumstances, some sub-contractors work also involves variation orders and as such, the payables associated with these variations are long outstanding due to verification of such variations. Only upon finalisation of the above, can the final contractual sum be determined and the sub-contractors be paid accordingly.

The long outstanding trade payables (i.e. exceeding credit period of more than 60 days) are mainly related to the on-going projects of Taman Indera Sempurna 2, Desa Hijauan and Arabian Bay. Due to our good relationship with certain suppliers and/or sub-contractors, we have negotiated for longer repayment terms given that these projects are still on-going and these suppliers and/or sub-contractors still have subsisting transactions with us.

Notwithstanding the above, in view of the good relationship with our suppliers and sub-contractors, there were no significant matters in dispute with respect to trade payables for the periods under review and there was no legal action initiated by any one of our suppliers or sub contractors to demand for payment.

Leisure and Hospitality

Trade payables captured in the leisure and hospitality business mainly related to amount due to suppliers of F&B and merchandises. The normal credit period granted by our F&B and merchandises suppliers ranges from 30 to 60 days.

There is a substantial decrease in the trade payables turnover period from 2.8 months in FYE 2010 to less than 1 month in FPE 2011 due to the regular payment made to our suppliers to ensure continuous delivery of supply in timely manner to avoid any disruption to our leisure and hospitality operation.

Similarly with the property development operation, in view of the good relationship with our suppliers to our leisure and hospitality operation, there were no significant matters in dispute with respect to these suppliers for the periods under review and there was no legal action initiated by any one of our suppliers to demand for payment.

(d) Inventories

The inventories held by our Group are mainly F&B, merchandises and other hotel supplies for our leisure and hospitality operation. As these are fast moving consumer goods, our inventories turnover periods are low, as we do not maintain large amounts of these goods to avoid expiration.

10. FINANCIAL INFORMATION (Cont'd)

As for our property development operation, we did not hold any unsold properties as our properties were usually sold before completion, except for FYE 2008, whereby we had two (2) units of unsold shop lots out of the total of eleven (11) units of shop lots and 599 units of single-storey terrace houses completed in that financial year.

10.6 TREND INFORMATION

As at LPD, to the best of our Directors' knowledge and belief, our operations have not been and are not expected to be affected by any of the following:-

- (i) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have a material favourable or unfavourable impact on our Group's financial performance, position and operations other than those disclosed in this section and Sections 3 and 4 of this Prospectus;
- (ii) material commitments for capital expenditures, save as disclosed in Section 10.5.7(c) of this Prospectus;
- (iii) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group, save as disclosed in this section and Section 3 of this Prospectus;
- (iv) known trends, demands, commitments, events or uncertainties that have resulted in a material impact on our Group revenue and/or profits save for those that have been disclosed in this section, industry overview as set out in Section 5 of this Prospectus and the future plans and strategies as set out in Section 4.16 of this Prospectus;
- (v) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical financial statements not indicative of the future financial performance and position other than those disclosed in this section and Section 3 of this Prospectus; and
- (vi) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our Group's liquidity and capital resources, other than those discussed in this section, Sections 3 and 4 of this Prospectus.

Our Board is optimistic about the future prospects of our Group and the outlook of the property development as well as leisure and hospitality industries due to the factors set out in Section 4.17 of this Prospectus, in consideration of our Group's competitive strengths as set out in Section 4.3 of this Prospectus, the significant factors materially affecting our Group's operating results and financial condition as set out in Section 10.4.3 of this Prospectus, and our Group's dedication to implement the future plans and strategies as set out in Section 4.16 of this Prospectus.

As a property developer, we do not have an order book. For further information of our future and on-going projects, kindly refer to Section 4 of this Prospectus.

10. FINANCIAL INFORMATION (Cont'd)

10.7 DIVIDEND POLICY

It will be our Directors' policy to allow our shareholders to participate in the profits of our Group as well as leaving adequate reserves for the future growth of our Group.

Notwithstanding the above, our ability to pay dividends or make other distributions to our shareholders is subject to various factors, such as having profits and excess funds not required to be retained to fund our business. Our Directors will also take into consideration, amongst others, of the following factors when recommending dividends for approval by our shareholders or when declaring any interim dividends:-

- (i) the availability of adequate distributable reserves and cash flows;
- (ii) our operating cash flow requirements and financing commitments;
- (iii) our anticipated future operating conditions, as well as future expansion, capital expenditure and investment plans;
- (iv) any material impact of tax laws and other regulatory requirements; and
- (v) the prevailing interest rates and yields of the financial market.

Any declaration and payment of dividends in the future will be at the discretion of the Board. There is no assurance on whether the dividend distributions will occur as intended, the amount of dividend payment or timing of such payments.

No inference should or can be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future.

Kindly refer to Section 3 of this Prospectus for risks relating to payment of dividends.

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(PREPARED FOR INCLUSION IN THE PROSPECTUS)

Date: 6 January 2012

The Board of Directors
Sentoria Group Berhad
56 & 58, Jalan Dagang SB 4/2
Taman Sungai Besi Indah
43300 Seri Kembangan
Selangor Darul Ehsan

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Dear Sirs,

ACCOUNTANTS' REPORT

SENTORIA GROUP BERHAD (FORMERLY KNOWN AS SENTORIA DEVELOPMENT SDN. BHD.) ("SENTORIA" or the "COMPANY")

1. INTRODUCTION

This report has been prepared by us, an approved company auditor, for inclusion in prospectus of Sentoria in connection with the listing of and quotation for the enlarged issued and paid-up share capital of Sentoria on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Scheme") and should not be relied upon for any other purposes. The details of the Listing Scheme are disclosed in section 2 of this report.

2. DETAILS OF LISTING SCHEME

In conjunction with, and as an integral part of the listing of Sentoria on the Main Market of Bursa Securities, the Company is undertaking the following listing scheme:-

(i) Subdivision

The Company undertake a subdivision of every one (1) ordinary share of RM1.00 each into five (5) subdivided shares of RM0.20 each in the Company ("Shares").

(ii) Bonus Issue

Bonus issue of 330,000,000 new Shares to the existing shareholders on the basis of thirty three (33) new Shares for every one (1) existing Share held in Sentoria.

(iii) Initial Public Offering ("IPO")

Public Issue

Public issue of 60,000,000 new Shares ("Public Issue Shares"), representing 15.0% of the enlarged issued and paid-up capital of Sentoria and will be allocated and allotted in the following manner:-

(a) Malaysian Public via balloting

20,000,000 Public Issue Shares, representing 5.0% of the enlarged issued and paid-up share capital of Sentoria, to be made available for application by Malaysian Public via balloting.

11. ACCOUNTANTS' REPORT (Cont'd)



2. DETAILS OF LISTING SCHEME (CONT'D)

(iii) **Initial Public Offering ("IPO") (Cont'd)**

(b) **Eligible directors and employees**

10,000,000 Public Issue Shares, representing 2.5% of the enlarged issued and paid-up share capital of Sentoria, reserved for the eligible directors and employees of Sentoria.

(c) **Private Placement**

30,000,000 Public Issue Shares, representing 7.5% of the enlarged issued and paid-up share capital of Sentoria by way of private placement to selected investors.

(iv) **Offer for Sale**

Offer for sale of 40,000,000 representing 10.0% of enlarged issued and paid up share capital of Sentoria to Bumiputera investors approved by the Ministry of International Trade and Industry.

(v) **Employee Share Option Scheme ("ESOS")**

In conjunction with the Listing Scheme, Sentoria proposes to implement an ESOS which entails the issuance of up to ten percent (10%) of Sentoria's issued and paid-up share capital at any one time pursuant to the options to be granted under the ESOS, to eligible Director and employees of Sentoria Group.

(vi) **Listing**

Upon completion of Subdivision, Bonus Issue, Public Issue, Offer for Sale and ESOS, Sentoria will seek the listing of its entire enlarged issued and paid-up capital on the Main Market of Bursa Securities.

11. ACCOUNTANTS' REPORT (Cont'd)



3. GENERAL INFORMATION

3.1 Background

Sentoria was incorporated and domiciled in Malaysia under the Companies Act, 1965, as a private limited liability company under the name of Sentoria Development Sdn. Bhd. on 2 June 1998 and changed its name to Sentoria Group Sdn. Bhd. on 16 March 2011. It was converted into a public limited liability company on 3 May 2011 and changed its name to Sentoria Group Berhad.

3.2 Share capital

The changes in the Company's issued and paid up share capital since its date of incorporation were as follows:-

Date of allotment	No. of shares allotted	Par value RM	Consideration	Cumulative issued and paid-up share capital RM
2 June 1998	2	1.00	Cash	2
8 September 1998	8	1.00	Cash	10
30 March 1999	219,990	1.00	Cash	220,000
17 May 1999	280,000	1.00	Cash	500,000
28 September 1999	500,000	1.00	Cash	1,000,000
28 May 2001	200,000	1.00	Cash	1,200,000
27 February 2003	400,000	1.00	Cash	1,600,000
3 March 2005	200,000	1.00	Cash	1,800,000
16 January 2006	200,000	1.00	Cash	2,000,000
23 November 2011	10,000,000	0.20	Subdivision	2,000,000
24 November 2011	330,000,000	0.20	Bonus Issue	68,000,000

The changes in the Company's authorised share capital since its date of incorporation were as follows:-

Date of authorised	No. of shares created	Par value RM	Cumulative authorised share capital RM
2 June 1998	100,000	1.00	100,000
13 March 1999	900,000	1.00	1,000,000
30 September 1999	4,000,000	1.00	5,000,000
23 November 2011	25,000,000	0.20	5,000,000
23 November 2011	475,000,000	0.20	100,000,000

11. ACCOUNTANTS' REPORT (Cont'd)



3. GENERAL INFORMATION

3.3 Principal activities

The Company is principally engaged in investment holdings.

The particulars of subsidiary companies, all of which are incorporated in Malaysia, are as follows:-

Name of company	Effective ownership	Principal activities	Paid- up Capital (RM)	Date of incorporation
Sentoria Properties Sdn. Bhd.	100%	Property development	300,000	26 February 1999
Sentoria Bina Sdn. Bhd.	100%	Provision of general contractor services	750,000	26 February 1999
Sentoria Harta Sdn. Bhd.	100%	Property development	1,000,000	23 November 2002
Sentoria Alam Sdn. Bhd.	100%	Property development	250,000	22 August 2003
Sentoria Resorts Sdn. Bhd.	100%	Property development	500,000	1 March 2005
Sentoria Alfa Sdn. Bhd.	70%	Property development and project management services	250,000	31 October 2003
Sentoria Themeparks and Resorts Sdn. Bhd.	100%	Hotel and water park operator	1,000,000	19 September 2006
<i>Subsidiary of Sentoria Themeparks and Resorts Sdn. Bhd.</i>				
- Blue Sky Leisure Sdn. Bhd.	100%	Travel agent*	50,000	27 July 2011
- Sentoria Morib Sdn. Bhd.	100%	Hotel and water park operator*	2	1 August 2011
- Sempurna Resort Kuantan Sdn. Bhd.	100%	Hotel operations	2	4 August 2011
Sentoria Vacation Club Berhad	100%	Vacation club operator	1,000,000	24 March 2009

*Presently dormant

11. ACCOUNTANTS' REPORT (Cont'd)



4. AUDITORS AND AUDITED FINANCIAL STATEMENTS

The auditors of Sentoria and its subsidiaries ("Sentoria Group" or "the Group") where the audited financial statements of the subsidiaries that have been consolidated with the financial statements of Sentoria for the respective years are as follows:-

Company	Financial year ended ("FYE")	Auditors
SENTORIA	30 September 2008	SJ Grant Thornton
	30 September 2009	SJ Grant Thornton
	30 September 2010	SJ Grant Thornton
	Financial period ended ("FPE")	
	31 July 2011	SJ Grant Thornton
Sentoria Properties Sdn. Bhd.	FYE	
	30 September 2008	SJ Grant Thornton
	30 September 2009	SJ Grant Thornton
	30 September 2010	SJ Grant Thornton
	FPE	
	31 July 2011	SJ Grant Thornton
Sentoria Bina Sdn. Bhd.	FYE	
	30 September 2008	SJ Grant Thornton
	30 September 2009	SJ Grant Thornton
	30 September 2010	SJ Grant Thornton
	FPE	
	31 July 2011	SJ Grant Thornton
Sentoria Harta Sdn. Bhd.	FYE	
	30 September 2008	SJ Grant Thornton
	30 September 2009	SJ Grant Thornton
	30 September 2010	SJ Grant Thornton
	FPE	
	31 July 2011	SJ Grant Thornton
Sentoria Alam Sdn. Bhd.	FYE	
	30 September 2008	SJ Grant Thornton
	30 September 2009	SJ Grant Thornton
	30 September 2010	SJ Grant Thornton
	FPE	
	31 July 2011	SJ Grant Thornton
Sentoria Resorts Sdn. Bhd.	FYE	
	30 September 2008	SJ Grant Thornton
	30 September 2009	SJ Grant Thornton
	30 September 2010	SJ Grant Thornton
	FPE	
	31 July 2011	SJ Grant Thornton



4. AUDITORS AND AUDITED FINANCIAL STATEMENTS (CONT'D)

Company	Financial year/period ended	Auditors
Sentoria Alfa Sdn. Bhd.	FYE	
	30 September 2008	SJ Grant Thornton
	30 September 2009	SJ Grant Thornton
	30 September 2010	SJ Grant Thornton
	FPE	
	31 July 2011	SJ Grant Thornton
Sentoria Themeparks and Resorts Sdn. Bhd.	FYE	
	30 September 2008	SJ Grant Thornton
	30 September 2009	SJ Grant Thornton
	30 September 2010	SJ Grant Thornton
	FPE	
	31 July 2011	SJ Grant Thornton
Sentoria Vacation Club Berhad	FPE	
	30 June 2010	SJ Grant Thornton
	30 September 2010	SJ Grant Thornton
	31 July 2011	SJ Grant Thornton

The financial information of Sentoria Vacation Club Berhad is not shown separately as it has been consolidated and presented in the consolidated financial statements of Sentoria Group since its date of incorporation.

The auditors' reports of the Group were not subject to any qualifications or modifications for the financial statements covered in this report. The auditors' reports of Sentoria for the relevant financial years/period are attached in Appendix 1 to this Report.

This report is prepared on a basis consistent with the accounting policies adopted by the Group as disclosed in Section 5 of this report and in accordance with applicable Financial Reporting Standards ("FRSs") in Malaysia.

11. ACCOUNTANTS' REPORT (Cont'd)**5. ACCOUNTING POLICIES AND STANDARDS****5.1 Basis of Preparation of the Financial Statements**

This report is prepared on a basis consistent with the accounting policies adopted by the Group as disclosed in Section 5.4 of this reports.

The financial statements of the Group for the FYE 30 September 2008 and 2009 had been previously prepared in accordance with applicable Private Entity Reporting Standards ("PERS") in Malaysia and the provisions of the Companies Act, 1965. The Group have adopted the applicable FRSs in Malaysia and IC Interpretations effective FYE 30 September 2010 and reflected such adoption of the FRSs for FYE 2008 and FYE 2009 in this report and the effects of these adoptions are disclosed in Section 5.4(b) of this report.

5.2 Financial Risk Management Policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its risks. The Group operates within policies that are approved by the Board of Directors ("Board") and the Group's policy is not to engage in speculative transactions.

The main areas of financial risks faced by the Group and the policies in respect of the major areas of treasury activity are set out as follows:-

(a) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises primarily from receivables. It is the Group's policy to enter into financial instrument with a diversity of creditworthy counterparties. The Group does not expect to incur material credit losses of its financial assets or other financial instruments.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group provides services only to recognised and creditworthy third parties. It is the Group's policy that all customers are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is limited to the carrying amounts in the Statements of Financial Position.

With a credit policy in place to ensure the credit risk is monitored on an ongoing basis, management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. The Group uses aging analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than credit terms granted are deemed to have higher credit risk, and are monitored individually.

Financial assets that are neither past due nor impaired and either past due or impaired are disclosed in Section 7, notes 12 and 13 of this report.

11. ACCOUNTANTS' REPORT (Cont'd)



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.2 Financial Risk Management Policies (cont'd)

(a) Credit risk (cont'd)

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various backgrounds. Based on historical information about customer default rates, management considers the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

(b) Market risk

For key product purchases, the Group establishes floating and fixed price levels that the Group considers acceptable and enters into physical supply agreements, where necessary, to achieve these levels. The Group does not face significant exposure from the risk of changes in price level.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group's interest rate management objective is to manage the interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group targets a mix of fixed and floating debts based on assessment of its existing exposure and desired interest rate profile.

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period were as follows:-

	<u>31.7.2011</u>
	RM
Fixed rate instruments	
Borrowings	1,669,787
Fixed deposits with licensed bank	<u>2,790,238</u>
 Floating rate instruments	
Borrowings	<u>48,415,635</u>

11. ACCOUNTANTS' REPORT (Cont'd)



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.2 Financial Risk Management Policies (cont'd)

(c) Interest rate risk (cont'd)

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

The following table illustrates the sensitivity of profit to a reasonably possible change in interest rates of +/- 0.5%. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Profit for the period	
	RM	RM
	+0.5%	-0.5%
Floating rate instruments		
31 July 2011	165,676	(165,676)

(d) Liquidity and cash flow risks

Liquidity and cash flow risks are the risks that the Group will not be able to meet its financial obligations as they fall due, due to shortage of funds.

In managing its exposures to liquidity and cash flow risks arises principally from its various payables, loans and borrowings, the Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as and when they fall due.

The Group aims at maintaining a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

As at 31 July 2011, the Group's non-derivative financial liabilities which have contractual maturities (including interest payments) are summarised below:-

	Current	Non-current		Total
	Less than 1	Between 1 to	More than 5	
	year	5 years	years	
	RM	RM	RM	RM
Secured:				
Borrowings	10,283,948	29,956,630	9,844,844	50,085,422
Unsecured:				
Trade payables	29,297,912	-	-	29,297,912
Other payables	31,068,366	-	-	31,068,366
	60,366,278	-	-	60,366,278
Total	70,650,226	29,956,630	9,844,844	110,451,700



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.3 Capital Management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and determine to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

The Group sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

5.4 Significant Accounting Policies

(a) Accounting convention

The financial statements of the Group are prepared under the historical cost convention, unless otherwise indicated in the summary of significant accounting policies.

The financial statements are presented in Ringgit Malaysia (RM) which is the Group's functional currency.

(b) Adoption of new and revised FRSs

(i) On 1 October 2010, the Group adopted the following new and amended FRSs:-

- | | |
|--|---|
| (a) FRS 1 | - First-time Adoption of Financial Reporting Standards |
| (b) FRS 3 | - Business Combinations (Revised) |
| (c) FRS 7 | - Financial Instruments: Disclosures |
| (d) FRS 8 | - Operating Segments |
| (e) FRS 101 | - Presentation of Financial Statements (Revised) |
| (f) FRS 123 | - Borrowing Costs (Revised) |
| (g) FRS 127 | - Consolidated and Separate Financial Statements (Revised) |
| (h) FRS 139 | - Financial Instruments: Recognition and Measurement |
| (i) Amendments to FRS 139, FRS 132 and IC Interpretation 9 | - Financial Instruments: Recognition and Measurement, Financial Instruments: Disclosure and Reassessment of Embedded Derivatives. Amendments relating to eligible hedged items, reclassification of financial assets and embedded derivatives |
| (j) Amendments to FRS 2 | - Share-based Payment. Amendments relating to vesting conditions and cancellations |
| (k) Amendment to FRS 132 | - Financial Instruments: Presentation. Amendment relating effective date and transition |
| (l) Amendments to FRS 132 | - Financial Instruments: Presentation. Amendments relating to classification of right issues |

11. ACCOUNTANTS' REPORT (Cont'd)



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(b) Adoption of new and revised FRSs (cont'd)

(i) Amended FRSs (cont'd):-

- (m) IC Interpretation 9 - Reassessment of Embedded Derivatives
- (n) IC Interpretation 10 - Interim Financial Reporting and Impairment
- (o) IC Interpretation 11 - FRS 2 - Group and Treasury Share Transactions
- (p) IC Interpretation 12 - Service Concession Arrangements
- (q) IC Interpretation 13 - Customer Loyalty Programmes
- (r) IC Interpretation 14 - FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- (s) IC Interpretation 17 - Distributions of Non-cash Assets to Owners
- (t) Improvements to FRSs issued in 2009 and mandatory for annual financial periods beginning on or after 1 January 2010
- (u) Consequential amendments to FRSs issued in 2010 and mandatory for annual financial periods beginning on or after 1 July 2010

Adoption of the above standards did not have any material effect on the financial performance or position of the Group except for the following:-

FRS 3 Business Combination (Revised)

The revised standard continues to apply the acquisition method to business combinations, with some significant changes. All payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice to measure the non-controlling interest in the acquiree at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed.

FRS 7 Financial Instruments: Disclosures

Prior to 1 January 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132 *Financial Instruments: Disclosure and Presentation*. FRS 7 requires the disclosure of information about the significance of financial instruments for the Group's financial position and performance, the nature and extent of risks arising from financial instruments and the objectives, policies and processes for managing capital.

The Group has applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group's financial statements for the financial period ended 31 July 2011.

11. ACCOUNTANTS' REPORT (Cont'd)



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(b) Adoption of new and revised FRSs (cont'd)(i) **FRS 8 Operating Segments**

FRS 8, which replaces FRS 114₂₀₀₄ Segment Reporting, requires the identification of operating segments based on internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segments and to assess their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers.

FRS 101 Presentation of Financial Statements (Revised)

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The Standard introduces the Statement of Comprehensive Income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group has elected to present this statement as one single statement.

A Statement of Financial Position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the classification of items in the financial statements. The revised FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital.

The revised FRS 101 was adopted retrospectively by the Group.

FRS 123 Borrowing Costs (Revised)

FRS 123 (Revised) eliminates the option available under the previous version of FRS 123 to recognise all borrowing costs immediately as expenses. The revised standard requires capitalisation of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset.

In accordance with the transitional provisions of the Standard, the Group has amended its accounting policy and adopted this as a prospective change. Therefore, borrowing costs have been capitalised on qualifying assets with a commencement date on or after 1 October 2010. No changes have been made for borrowing costs incurred prior to this date that have been expensed.



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(b) Adoption of new and revised FRSs (cont'd)(i) **FRS 127 Consolidated and Separate Financial Statements (Revised)**

The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in profit or loss. Losses are required to allocate to non-controlling interests, even if it results in the non-controlling interests to be in a deficit position.

FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group has adopted FRS 139 prospectively on 1 October 2010 in accordance with the transitional provisions. Any effects arising from the adoption of this Standard will be accounted for by adjusting the opening balance of unappropriated profit as at 1 October 2010. Comparatives are not restated. The details of the changes in accounting policy and the effects arising from the adoption of FRS 139 are discussed below:-

Impairment of trade receivables

Prior to 1 January 2010, allowance for doubtful debts was recognised when it was considered uncollectible. Upon the adoption of FRS 139, an impairment loss is recognised when there is objective evidence that an impairment loss has been incurred. The amount of the loss is measured as the difference between the receivable's carrying amount and the present value of the estimated future cash flows discounted at the receivable's original effective interest rate.

- (ii) The following are standards and IC Interpretations which are not yet effective and have not been early adopted by the Group:-

Effective for financial periods beginning on or after 1 January 2011

- | | | | |
|-----|---------------------|---|--|
| (a) | Amendment to FRS 1 | - | Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters. Amendment relating to transition provisions for First-time Adopters |
| (b) | Amendments to FRS 1 | - | Additional Exemptions for First-time Adopters. Amendments relating to exemptions for entities in the oil and gas industry and those with leasing contracts |

11. ACCOUNTANTS' REPORT (Cont'd)**5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)****5.4 Significant Accounting Policies (cont'd)****(b) Adoption of new and revised FRSs (cont'd)**

(ii) The following are standards and IC Interpretations which are not yet effective and have not been early adopted by the Group (cont'd):-

- | | | | |
|-----|---|---|--|
| (c) | Amendments to FRS 2 | - | Group Cash-settled Share-based Payment Transactions. Amendments to prescribe the accounting treatment for Share-based Payment transaction |
| (d) | Amendments to FRS 7 | - | Improving Disclosures about Financial Instruments. Amendments relating to the fair value measurement using fair value hierarchy and disclosure of liquidity risk |
| (e) | IC Interpretation 4 | - | Determining whether an Arrangement contains a Lease |
| (f) | IC Interpretation 18 | - | Transfers of Assets from Customers |
| (g) | Improvements to FRSs issued in 2010 and mandatory for annual financial periods beginning on or after 1 January 2011 | | |

Effective for financial periods beginning on or after 1 July 2011

- | | | | |
|-----|------------------------------------|---|---|
| (a) | Amendments to IC Interpretation 14 | - | Prepayments of a Minimum Funding Requirement |
| (b) | IC Interpretation 19 | - | Extinguishing Financial Liabilities with Equity Instruments |

Effective for financial periods beginning on or after 1 January 2012

- | | | | |
|-----|------------------------------------|---|--|
| (a) | FRS 124 | - | Related Party Disclosures (Revised) |
| (b) | Amendments to IC Interpretation 15 | - | Agreements for the Construction of Real Estate |

The existing FRS 201₂₀₀₄ – Property Development Activities will be withdrawn upon the adoption of the new requirements that take effect on 1 January 2012. IC Interpretation 8 and 11 shall be withdrawn upon the application of Amendments to FRS 2 effective for the accounting periods beginning on or after 1 January 2011.



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(b) Adoption of new and revised FRSs (cont'd)

- (ii) All the above Amendments, IC Interpretations and FRS except for FRS 124, Amendments to FRS 7, 101, 121 and amendment to IC Interpretation 15 are not expected to be relevant to the operations of the Group. The Directors anticipate that the adoption of those applicable FRS and amendments to FRS will have no material impact on the financial statements of the Group in the period for initial application except for the following: -

FRS 124 Related Party Disclosures (Revised)

The revised standard modifies the definition of a related party and simplifies disclosures for government-related entities. The disclosure exemptions introduced in the standard do not affect the Group because the Group is not a government-related entity. However, disclosures regarding related party transactions and balances in the financial statements may be affected when the revised standard is applied in future accounting periods because some counterparties that did not previously meet the definition of a related party may come within the scope of such standard.

(c) Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's accounting policies and reported amounts of assets, liabilities, income, expenses and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:-

Impairment of goodwill

The Group determines whether goodwill is impaired at least once annually. This requires the estimation of the value in use of the Cash-Generating Units ("CGU") to which goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

11. ACCOUNTANTS' REPORT (Cont'd)



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(c) Significant accounting estimates and judgements (cont'd)**Impairment of intangible assets**

The Group assesses at each reporting date whether there is any indication that intangible assets may be impaired. If any such indication exists, the Group will estimate the recoverable amount of the intangible assets. This requires the estimation of the value in use of the cash-generating units to which intangible assets are allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Income taxes

Significant judgement is involved in determining the Group's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

Classification between investment properties and owner-occupied properties

The Group determine whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group consider whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. The Group accounts for the portions separately if the portions could be sold separately (or leased out separately under a finance lease). If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgment is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Depreciation / amortisation of property, plant and equipment and investment properties

Property, plant and equipment and investment property are depreciated / amortised a straight-line basis over their useful life. Management estimated the useful life of these assets to be within 2 to 96 years. Changes in the expected level of usage and technological developments could impact the economic useful life and the residual values of these assets, therefore future depreciation charges could be revised.

11. ACCOUNTANTS' REPORT (Cont'd)

**5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)****5.4 Significant Accounting Policies (cont'd)****(c) Significant accounting estimates and judgements (cont'd)****Allowance for impairment**

Allowance for impairment is determined using a combination of factors, including the overall quality and aging of receivables, continuing credit evaluation of the customer's financial strength and collateral requirements from customers in certain circumstances. The Directors make allowance for impairment based on best estimates at the reporting date.

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, unabsorbed tax losses, unutilised capital allowances and unused tax credits to the extent that taxable profit will be available against which all the deductible temporary differences, unabsorbed tax losses and unutilised capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Contingent liabilities

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and experts, internal and external to the Group, for matters in the ordinary course of business.

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques, management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(d) Basis of consolidation

The Group financial statements consolidate the audited financial statements of the Company and all of its subsidiary companies, which have been prepared in accordance with the Group's accounting policies.

All inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated on consolidation unless cost cannot be recovered.

The financial statements of the Company and its subsidiary companies are all drawn up to the same reporting date.

Acquisition of subsidiary companies is accounted for using the purchase method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

Any excess of the cost of the business combination over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill.

Any excess of the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in the Statements of Comprehensive Income on the date of acquisition.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiary companies not held by the Group. They are presented separately disclosed in the profit or loss of the Group, and within the equity in the consolidated Statements of Financial Position, separately from parent shareholders' equity. Transactions with non-controlling interests are accounted for using the entity concept method, whereby, transactions with non-controlling interests are accounted for as transactions with owners. On acquisition of non-controlling interests, the difference between the consideration and book value of the share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

Subsidiary companies are consolidated using the acquisition method of accounting from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

The gain or loss on disposal of a subsidiary company is the difference between net disposal proceeds and the Group's share of its net assets together with any unamortised or unimpaired balance of goodwill on acquisition and exchange differences.

(e) Subsidiary companies

A subsidiary company is a company in which the Group either directly or indirectly owns the power to govern its financial and operating policies so as to obtain benefits from its activities.



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(e) Subsidiary companies (cont'd)

Investment in subsidiary companies is stated at cost and/or valuation. Where an indication of impairment exists, the carrying amount of the subsidiary companies is assessed and written down immediately to their recoverable amount.

(f) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

Property development expenditure where significant development work has been undertaken and expected to be completed within the normal operating cycle of 2-3 years is considered as current asset.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the income statements by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

When the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as expenses in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, are recognised as expenses immediately.

Property development costs not recognised as expenses are recognised as assets, which are measured at the lower of cost and net realisable value.

The excess to revenue recognised in the Statements of Comprehensive Income over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the Statements of Comprehensive Income is classified as progress billings within other payables.

(g) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its assets to determine whether there is any indication of impairment.

If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount is estimated and an impairment loss is recognised whenever the recoverable amount of the asset or a cash-generating unit is less than its carrying amount. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the Statement of Comprehensive Income in those expense categories consistent with the function of the impaired asset.



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(g) Impairment of non-financial assets (cont'd)

Any impairment loss is charged to the Statement of Comprehensive Income immediately.

Subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation) had no impairment loss been recognised. The reversal is recognised in the Statement of Comprehensive Income immediately.

(h) Financial assets

Financial assets are recognised in the Statement of Financial Position when, and only when the Group becomes a party to the contractual provisions of the financial instrument. When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group determines the classification of their financial assets at initial recognition.

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the receivables are derecognised or impaired, and through the amortisation process.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(i) Impairment of financial assets

The Group assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

To determine whether there is objective evidence that an impairment loss on financial assets have been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtors and default or significant delay in payments. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(i) Impairment of financial assets (cont'd)

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(j) Amount due from/to customers

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as expense immediately.

When the total costs incurred on construction contract plus, recognised profits (less recognised losses), exceed progress billings, the balance is classified as amount due from customers under current assets. When the progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balance is classified as amount due to customers under current liabilities.

Cost includes direct materials, labour, sub-contract sum and attributable overhead paid or payable to date.

(k) Property, plant and equipment

Property, plant and equipment are stated at cost or valuation less accumulated depreciation less accumulated impairment losses, if any. Depreciation is calculated to write off the cost of the property, plant and equipment on a straight line basis over the estimated useful lives of the property, plant and equipment concerned. Work in progress is not depreciated until it is completed and ready for commercial utilisation.

No depreciation is provided on freehold land and work in progress.

The principal annual depreciation rates used are as follows:-

Air conditioner	10% - 12%
Buildings	2%
Cabins	10% - 50%
Earth-moving plant and heavy equipment	12% - 50%



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(k) Property, plant and equipment (cont'd)

The principal annual depreciation rates used are as follows:-

Electrical fittings	10%
Equipments, audio systems and computers	10% - 50%
Furniture and fittings	8% - 10%
Motor vehicles	20%
Plant and machinery	14%
Renovation	10%
Signboard	10%

Long term leasehold land and building are amortised over the lives of the leases which range from 83 - 96 years.

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charges for depreciation is made in respect of these assets.

Restoration cost relating to an item of property, plant and equipment is capitalised only if such expenditure is expected to increase the future benefits from the existing property, plant and equipment beyond its previously assessed standard of performance.

Property, plant and equipment are written down to recoverable amount if, in the opinion of the Directors, it is less than their carrying value. Recoverable amount is the net selling price of the property, plant and equipment i.e. the amount obtainable from the sale of an asset at arm's length transaction between knowledgeable, willing parties less the costs of disposal.

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the profit or loss in the financial year the asset is derecognised.

(l) Investment properties and amortisation

Investment properties consist of buildings held for capital appreciation or rental purpose and are not occupied or only an insignificant portion is occupied for use or in the operations of the Group.

11. ACCOUNTANTS' REPORT (Cont'd)



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(l) Investment properties and amortisation (cont'd)

Investment properties are treated as long-term investments and are measured initially at cost, including transaction costs less any accumulated depreciation and impairment losses. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment properties.

Investment properties are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation on investment properties is computed to write off the cost on a straight line over estimated useful life of the properties.

The annual rate used for amortisation are as follow:-

Building	2%
Land	over 96 years

Investment properties are derecognised when either they are disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from the disposal. Any gain or loss on the retirement or disposal of investment properties are recognised in the profit or loss in the financial year or retirement.

Investment properties are written down to recoverable amount if, in the opinion of the Directors, it is less than their carrying value, Recoverable amount is net selling price of the property i.e. the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

(m) Income tax

Income tax on the profit or loss for the financial year comprises current and deferred tax. Current tax expenses is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted by the statement of financial position date.

Deferred tax liabilities and assets are provided for under the liability method in respect of all temporary differences at the reporting date between the carrying amount of an asset or liability in the Statements of Financial Position and its tax base including unabsorbed tax losses and unutilised capital allowances.

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of a deferred tax asset is reviewed at each reporting date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax assets to be utilised, the carrying amount of the deferred tax assets will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available, such reductions will be reversed to the extent of the taxable profit.

Deferred tax is recognised in the Statements of Comprehensive Income, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill.



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(m) Income tax (cont'd)

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the reporting date.

(n) Inventories**Property development**

Inventories are stated at the lower of cost and net realisable value. When necessary, allowance is made for deteriorated, obsolete and slow moving inventories.

Cost is determined using the first in first out method. The cost of unsold properties consist of direct costs of construction and proportional land and development costs.

Net realisable value is estimated selling price in the ordinary course of business less the estimated cost is necessary to make the sale.

Leisure and hospitality

Inventories are stated as the lower of cost and net realisable value. Cost is determined on a weighted average method. The cost of inventories comprises the original cost of purchase plus the cost of bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, short-term demand deposits and highly liquid investments which are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

(p) Provisions

Provisions are recognised when there is a present obligation (legal or constructive), as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(q) Financial liabilities

Financial liabilities are recognised in the Statement of Financial Position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(q) Financial liabilities (cont'd)

The Group's financial liabilities consist of borrowings, trade payables, other payables and tax payables. Borrowings, trade payables and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. A financial liability is derecognised when the obligation under the liability is extinguished.

(r) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

Other borrowing costs are expensed in the period in which they incurred. Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds.

(s) Assets acquired under lease agreements**Finance lease**

The cost of property, plant and equipment acquired under hire purchase arrangements which transferred substantially all the risks and rewards of ownership to the Group are capitalised. The depreciation policy on these property, plant and equipment is similar to that of the Group's property, plant and equipment depreciation policy. Outstanding obligations due under hire purchase arrangements after deducting finance expenses are included as liabilities in the financial statements.

Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised as expenses in the Statements of Comprehensive Income over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligation for each accounting period.

Operating leases

Leases where substantially all the risks and rewards of ownership of assets remained with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the Statements of Comprehensive Income on a straight-line basis over the relevant lease terms. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

(t) Equity Instruments

Ordinary shares are classified as equity and is recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium.



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(t) Equity Instruments (cont'd)

Both ordinary shares and share premium are classified as equity. Dividends on ordinary shares are recognised as liabilities when declared and approved.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(u) Revenue recognition(i) Development properties

Revenue from development projects are recognised at the point of signing of sale and purchase agreement in respect of units sold and is based on the 'percentage of completion' method by reference to the proportion of total cost incurred at the reporting date to the total estimated cost of development where the outcome of the projects can be reliably estimated. Where foreseeable losses on development projects are anticipated, full provision for losses is made in the Statements of Comprehensive Income.

(ii) Construction work

Revenue from construction work is recognised based on percentage of completion method, where the outcome of the contract can be reliably estimated. Stage of completion is based on the total contract cost incurred to date over the estimated total contract costs of a project. Any anticipated loss is recognised in full.

(iii) Leisure and hospitality

Revenue are recognised upon delivery of products and/or performance of services.

(iv) Management fee

Management income is recognised when management services are rendered.

(v) Dividend income

Dividend income is recognised when the right to received payment is established.

(vi) Other revenues

Interest income is recognised on receipt basis.

Rental income is recognised when the rent is due.

The revenue of the Group is stated after eliminating sales within the Group.

(v) Employee benefits(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as expenses in the financial year in which the associated services are rendered by the

11. ACCOUNTANTS' REPORT (Cont'd)



5. ACCOUNTING POLICIES AND STANDARDS (CONT'D)

5.4 Significant Accounting Policies (cont'd)

(v) Employee benefits (cont'd)(i) Short term benefits (cont'd)

employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by the employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occurred.

(ii) Defined contribution plan

The Group's contribution to defined contribution plans are charged to the Statement of Comprehensive Income in the financial year to which they relate.

(w) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified to make strategic decisions.

(x) Related parties

A party is related to an entity if:-

- (i) directly or indirectly through one or more intermediaries, the party:-
 - (1) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - (2) has an interest in the entity that gives it significant influence over the entity; or
 - (3) has joint control over the entity;
- (ii) the party is an associate of the entity;
- (iii) the party is a joint venture in which the entity is a venturer;
- (iv) the party is a member of the key management personnel of the entity or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

6. FINANCIAL INFORMATION

The consolidated financial information of Sentoria Group as presented in Section 7 are based on the audited financial statements, modified as appropriate, for the purpose of this report.

The scope of work involved in the preparation of this report does not constitute an audit in accordance with approved standards on auditing in Malaysia.

11. ACCOUNTANTS' REPORT (Cont'd)



6. FINANCIAL INFORMATION (CONT'D)

All information are extracted from the audited financial statements except those in *italics* which are prepared based on calculation, representation and/or explanation provided by the management.

7. HISTORICAL FINANCIAL INFORMATION

(a) Statements of Comprehensive Income

The following table sets out the summary of the financial results prepared based on the audited consolidated financial statements of Sentoria Group for the past three (3) financial years ended 30 September 2008 to 2010, unaudited and audited consolidated statements of comprehensive income for the financial periods ended 31 July 2010 and 31 July 2011 respectively:-

Year/Period ended	Note	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2010 RM	31.7.2011 RM
Revenue	1	84,868,438	91,371,100	123,202,157	93,669,360	143,670,608
Cost of sales	2	(61,391,793)	(65,925,964)	(84,565,672)	(65,205,151)	(92,547,185)
Gross profit		23,476,645	25,445,136	38,636,485	28,464,209	51,123,423
Other income		1,449,719	1,462,474	809,120	506,195	2,304,476
Administration expenses		(5,083,283)	(7,298,196)	(14,799,726)	(13,160,600)	(17,631,555)
Other expenses		(90,714)	(4,552)	(19,400)	(963)	(212,196)
Finance cost		(361,172)	(446,192)	(2,067,896)	(1,524,568)	(2,022,667)
Profit before taxation ("PBT")	3	19,391,195	19,158,670	22,558,583	14,284,273	33,561,481
Taxation	4	(5,190,746)	(5,772,120)	(3,298,327)	(2,429,004)	4,645,884
Profit after Tax ("PAT")		14,200,449	13,386,550	19,260,256	11,855,269	38,207,365
Other comprehensive income for financial year		-	-	-	-	-
Total comprehensive income for financial year		14,200,449	13,386,550	19,260,256	11,855,269	38,207,365
Attributable to:-						
Owners of the Company		14,195,072	13,348,903	19,254,826	11,854,334	38,179,607
Non-controlling interest		5,377	37,647	5,430	935	27,758
		14,200,449	13,386,550	19,260,256	11,855,269	38,207,365
Earnings per share attributable to owners of the Company						
- Basic		7.10	6.67	9.63	5.93	19.10
- Fully diluted		7.10	6.67	9.63	5.93	19.10
Gross profit margin (%)		27.66	27.85	31.36	30.39	35.59
PBT margin (%)		22.85	20.97	18.31	15.25	23.36
PAT margin (%)		16.73	14.65	15.63	12.66	26.59
Effective tax rate (%)		26.77	30.13	14.62	17.00	(13.84)
Number of ordinary shares issued		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Gross earnings per share ("EPS")		9.70	9.58	11.28	7.14	16.78
Gross dividend rate (%)		-	-	-	-	-

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

(b) Statements of Financial Position

As at	Note	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	13,808,015	60,167,979	60,877,823	89,029,692
Property development costs	6	-	-	-	10,066,813
Investment properties	7	-	-	-	3,344,997
Deferred tax assets	8	93,188	685,268	2,623,642	14,853,933
Goodwill on consolidation	9	6,487	3,043	3,043	3,043
Total non-current assets		13,907,690	60,856,290	63,504,508	117,298,478
Current assets					
Property development costs	6	33,127,783	27,995,004	30,596,471	42,369,744
Amount due from customers	10	1,170,564	682,053	5,587,858	3,945,181
Inventories	11	221,287	1,538,395	3,306,636	3,126,934
Trade receivables	12	45,986,866	35,003,757	25,185,357	40,325,499
Other receivables	13	6,365,383	17,557,951	34,240,704	5,752,388
Fixed deposits with licensed banks	14	3,239,309	2,569,493	2,679,043	2,790,238
Cash and bank balances	15	4,322,707	3,114,149	6,591,870	12,050,570
Total current assets		94,433,899	88,460,802	108,187,939	110,360,554
Total assets		108,341,589	149,317,092	171,692,447	227,659,032
EQUITY AND LIABILITIES					
Equity attributable to equity holder					
Share Capital	16	2,000,000	2,000,000	2,000,000	2,000,000
Revaluation Reserve	17	2,271,286	2,271,286	2,271,286	2,271,286
Unappropriated profit		32,808,181	46,157,084	65,411,910	103,591,517
		37,079,467	50,428,370	69,683,196	107,862,803
Non-controlling interest		229,214	266,861	272,291	150,041
Total Equity		37,308,681	50,695,231	69,955,487	108,012,844
Non-current liability					
Borrowings	18	3,456,588	22,167,218	18,919,973	39,801,474
Total non-current liability		3,456,588	22,167,218	18,919,973	39,801,474

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

(b) Statements of Financial Position (cont'd)

As at	Note	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Current liabilities					
Amount due to customers	10	15,578,737	2,674,783	5,519,764	3,530,560
Trade payables	19	28,285,918	39,568,223	26,880,847	29,297,912
Other payables	20	9,599,049	12,930,128	29,945,728	31,068,366
Borrowings	18	9,491,867	12,678,439	13,839,248	10,283,948
Tax payable		3,863,572	7,440,837	5,604,667	5,663,928
Amount due to Directors	21	757,177	1,162,233	1,026,733	-
Total current liabilities		67,576,320	76,454,643	82,816,987	79,844,714
Total liabilities		71,032,908	98,621,861	101,736,960	119,646,188
Total equity and liabilities		108,341,589	149,317,092	171,692,447	227,659,032
Net assets ("NA")		37,079,467	50,428,370	69,683,196	107,862,803
Number of ordinary shares		2,000,000	2,000,000	2,000,000	2,000,000
NA per share (RM)		18.54	25.21	34.84	53.93

Company No: 463344-K

11. ACCOUNTANTS' REPORT (Cont'd)

7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

(c) Statements of Changes in Equity

	Share capital RM	Revaluation reserve RM	Unappropriated profit RM	Non-controlling interests RM	Total RM
Balance at 1 October 2007	2,000,000	2,271,286	18,613,109	223,837	23,108,232
Total comprehensive income for the financial year	-	-	14,195,072	5,377	14,200,449
Balance at 30 September 2008	2,000,000	2,271,286	32,808,181	229,214	37,308,681
Total comprehensive income for the financial year	-	-	13,348,903	37,647	13,386,550
Balance at 30 September 2009	2,000,000	2,271,286	46,157,084	266,861	50,695,231
Total comprehensive income for the financial year	-	-	19,254,826	5,430	19,260,256
Balance at 30 September 2010	2,000,000	2,271,286	65,411,910	272,291	69,955,487
Acquisition of non-controlling interest	-	-	-	(150,008)	(150,008)
Total comprehensive income for the financial period	-	-	38,179,607	27,758	38,207,365
Balance at 31 July 2011	2,000,000	2,271,286	103,591,517	150,041	108,012,844

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

(d) Statements of Cash Flows

Year/Period ended	Note	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before taxation		19,391,195	19,158,670	22,558,583	33,561,481
Adjustments for:-					
Allowance for impairment loss on trade and other receivables		51,382	-	-	166,920
Bad debts written off		2,925	-	-	18,000
Amortisation of investment property		-	-	-	44,003
Amortisation of goodwill		3,447	3,444	-	-
Depreciation of property, plant and equipment		1,042,442	1,773,489	3,133,865	3,237,383
Interest expenses		471,776	461,281	1,889,344	1,884,005
Property, plant and equipment written off		39,332	4,552	-	-
Allowance for impairment loss on trade and other receivables no longer required		(2,925)	-	-	(18,000)
(Gain)/Loss on disposal of property, plant and equipment		(182,788)	-	19,400	(1,340,993)
Interest income		(203,506)	(120,518)	(118,765)	(156,309)
Operating profit before working capital Changes		20,613,280	21,280,918	27,482,427	37,396,490
Changes in working capital:-					
Property development costs		(14,103,291)	5,132,779	(2,601,467)	(20,635,612)
Amount due from/(to) customers		3,284,995	(12,415,443)	(2,060,824)	(346,527)
Inventories		-	(1,317,108)	(1,768,241)	179,702
Trade and other receivables		(10,842,586)	(209,459)	(6,864,353)	15,981,254
Trade and other payables		9,769,165	14,613,384	4,328,224	3,539,703
Amount due to Directors		837,222	405,056	(135,500)	(1,026,733)
Cash generated from operations		9,558,785	27,490,127	18,380,266	35,088,277
Interest paid		(471,776)	(461,281)	(1,889,344)	(1,884,005)
Interest received		203,506	120,518	118,765	156,309
Tax paid		(3,387,176)	(2,786,935)	(7,072,871)	(7,525,146)
Net cash from operating activities		5,903,339	24,362,429	9,536,816	25,835,435
CASH FLOWS FROM INVESTING ACTIVITIES					
(Placement)/uplift of fixed deposits		(250,872)	(330,184)	(109,550)	(111,195)
Acquisition of non-controlling interest		-	-	-	(150,008)
Proceeds from disposal of property, plant and equipment		210,800	-	30,200	661,205
Purchase of investment property		-	-	-	(3,389,000)
Purchase of property, plant and Equipment	A	(3,058,355)	(48,074,477)	(3,893,309)	(33,175,011)
Net cash used in investing Activities		(3,098,427)	(48,404,661)	(3,972,659)	(36,164,009)

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

(d) Statements of Cash Flows (cont'd)

Year/Period ended	Note	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Net drawdown/(repayment) of short term borrowings		179,000	(10,000)	(1,233,493)	(165,000)
Repayment of finance lease liabilities		(323,530)	(304,490)	(332,338)	(322,696)
Net drawdown of term Loans		683,993	17,569,760	850,000	19,574,422
Net cash from/(used in) financing Activities		539,463	17,255,270	(715,831)	19,086,726
CASH AND CASH EQUIVALENTS					
Net increase/(decrease)		3,344,375	(6,786,962)	4,848,326	8,758,152
Brought forward		363,810	3,708,185	(3,078,777)	1,769,549
Carried forward	B	3,708,185	(3,078,777)	1,769,549	10,527,701

NOTES TO THE STATEMENTS OF CASH FLOWS

A. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

The Group acquired property, plant and equipment with an aggregate cost of RM3,684,855 (30.9.2008), RM48,138,005 (30.9.2009), RM3,893,309 (30.9.2010) and RM34,721,011 (31.7.2011) of which RM626,500 (30.9.2008), RM63,528 (30.9.2009), Nil (30.9.2010) and RM1,546,000 (31.7.2011) was acquired by means of finance lease respectively. Cash payments of RM3,058,355 (30.9.2008), RM48,074,477 (30.9.2009), RM3,893,309 (30.9.2010) and RM33,175,011 (31.7.2011) was made to purchase property, plant and equipment.

B. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the Statements of Cash Flows comprise the following Statement of Financial Position items:-

As at	Note	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Fixed deposits with licensed bank	14	1,000,000	-	-	-
Cash and bank balances	15	4,322,707	3,114,149	6,591,870	12,050,570
Bank overdraft	18	(1,614,522)	(6,192,926)	(4,822,321)	(1,522,869)
		3,708,185	(3,078,777)	1,769,549	10,527,701

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS

(1) Revenue

Year/Period ended	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2010 RM	31.7.2011 RM
Sales of properties	84,468,438	88,252,903	85,119,875	61,123,522	100,190,172
Rendering of services	-	3,118,197	38,082,282	32,545,838	43,480,436
Contract income	400,000	-	-	-	-
	<u>84,868,438</u>	<u>91,371,100</u>	<u>123,202,157</u>	<u>93,669,360</u>	<u>143,670,608</u>

In FYE 2008, the contract income was arising from an external party for the Nilai Pajam project of which the project was taken by one of the subsidiary companies. This project is a one off project. The project was completed in year 2008.

(2) Cost of sales

Year/Period ended	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2010 RM	31.7.2011 RM
Property development cost	61,093,407	60,617,736	62,048,892	45,148,280	67,361,755
Rendering services	-	5,308,228	22,516,780	20,056,871	25,185,430
Contract cost	298,386	-	-	-	-
	<u>61,391,793</u>	<u>65,925,964</u>	<u>84,565,672</u>	<u>65,205,151</u>	<u>92,547,185</u>

(3) Profit before taxation

Year/Period ended	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2010 RM	31.7.2011 RM
<u>After charging:-</u>					
Allowance for impairment loss on trade and other receivables	51,382	-	-	-	166,920
Amortisation of goodwill	3,447	3,444	-	-	-
Audit fee	63,300	82,300	90,500	58,983	-
Amortisation on investment properties	-	-	-	-	44,003
Bad debts written off	2,925	-	-	-	18,000
Bank overdrafts interest	185,863	228,256	174,794	208,960	152,269
Bankers' acceptance interest	116,822	71,655	6	79,674	122,964
Depreciation of property, plant and equipment	1,042,442	1,773,489	3,133,865	2,597,841	3,237,383
Directors' remuneration	1,137,024	1,230,656	1,459,842	1,228,368	1,828,736
Finance lease interest	45,609	49,602	31,980	28,121	44,802
Property, plant and equipment written off	39,332	4,552	-	-	-
Loss on disposal of property, plant and equipment	-	-	19,400	963	-
Rental of equipment	5,890	11,960	2,675	2,675	-
Rental of premises	57,600	51,300	48,000	40,000	40,000
Term loan interest	123,482	111,768	1,682,564	1,195,909	1,686,934
<u>And crediting:-</u>					
Allowance for impairment loss on trade and other receivables no longer required	2,925	-	-	-	18,000
Interest income					
- fixed deposits	152,600	90,585	64,806	54,136	42,554
- others	50,906	29,933	53,959	39,477	113,755
Gain on foreign exchange - realised	-	240,437	-	-	-
Net gain on disposal of property, plant and equipment	182,788	-	-	-	1,340,993
Rental of staff quarter	-	-	-	-	65,065
Rental of premises	88,800	729,200	154,550	144,950	(13,500)

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(3) Profit before taxation (cont'd)

The details of remuneration receivable by Directors of the Group during the financial year are as follows:-

Year/Period ended	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2010 RM	31.7.2011 RM
Executive:-					
Salaries and other Emoluments	871,200	1,023,200	1,087,800	1,020,000	1,285,000
Bonus	144,000	84,912	229,680	131,400	354,496
Defined contribution plan	121,824	122,544	142,362	76,968	189,240
	<u>1,137,024</u>	<u>1,230,656</u>	<u>1,459,842</u>	<u>1,228,368</u>	<u>1,828,736</u>

(4) Taxation

Year/Period ended	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2010 RM	31.7.2011 RM
Current year provision	5,020,300	6,364,000	5,226,800	2,429,004	7,585,800
Under/(over) provision in prior financial year/period	47,201	200	9,901	-	(1,393)
Transferred from/(to) deferred taxation	123,245	(592,080)	(1,938,374)	-	(12,230,291)
	<u>5,190,746</u>	<u>5,772,120</u>	<u>3,298,327</u>	<u>2,429,004</u>	<u>(4,645,884)</u>

Malaysian income tax is calculated at the statutory rate of 26% (30.9.2008) and 25% (30.9.2009, 30.9.2010, 31.7.2011 and 31.7.2010) of the estimated assessable profit for the current year.

The Group's unabsorbed business losses, unutilised capital allowances and unutilised tax allowances which can be carried forward to offset against future taxable profit amounted to approximately as followings:-

Year/Period ended	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2010 RM	31.7.2011 RM
Unabsorbed business losses	14,800	18,000	2,900,000	2,897,000	2,565,000
Unutilised capital allowance	2,400	3,500	492,000	492,000	1,136,000
Unutilised tax allowance	-	-	7,073,000	7,000,000	59,787,000

However, the above amounts are subject to the agreement by Inland Revenue Board of Malaysia.

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(4) Taxation (cont'd)

A reconciliation of income tax expense on profit before taxation with the applicable statutory income tax rate is as follows:-

Year/Period ended	30.9.2008 %	30.9.2009 %	30.9.2010 %	31.7.2010 %	31.7.2011 %
Applicable statutory income tax rate	26.0	25.0	25.0	25.0	25.0
Tax effect on change in tax rate for the first tranche of chargeable income	(0.4)	(0.1)	(0.3)	(0.3)	(0.3)
Income not subject to tax	-	-	-	-	(0.6)
Tax effect on non-allowable expenses	1.0	5.2	2.4	(7.7)	1.4
Recognition of deferred tax assets during the financial period/ year comprising of deferred tax assets not recognised in the previous financial years	-	-	(12.5)	-	(39.6)
Under provision in prior year	0.2	-	-	-	0.3
Average effective tax rate	26.8	30.1	14.6	17.0	(13.8)



11. ACCOUNTANTS' REPORT (Cont'd)

7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(5) Property, plant and equipment

Cost	Land and buildings	Plant and machinery	Motor vehicles	Furniture, fitting and other equipment	Renovation	Infrastructure in progress	Total
	RM	RM	RM	RM	RM	RM	RM
At 1 October 2007	8,702,302	1,122,583	2,272,230	1,109,157	612,486	-	13,818,758
Additions	660,076	1,776,463	700,423	547,893	-	-	3,684,855
Disposals	-	-	(431,051)	-	-	-	(431,051)
Written off	-	(118,000)	-	-	-	-	(118,000)
At 30 September 2008	9,362,378	2,781,046	2,541,602	1,657,050	612,486	-	16,954,562
Additions	41,499,838	352,100	136,054	6,109,788	40,225	-	48,138,005
Written off	-	-	-	(5,202)	-	-	(5,202)
At 30 September 2009	50,862,216	3,133,146	2,677,656	7,761,636	652,711	-	65,087,365
Additions	500,377	75,014	54,115	3,263,803	-	-	3,893,309
Disposal	-	(101,000)	-	(8,500)	-	-	(109,500)
At 30 September 2010	51,362,593	3,107,160	2,731,771	11,016,939	652,711	-	68,871,174
Additions	21,179,701	40,666	2,134,426	1,850,043	48,122	9,468,053	34,721,011
Transfer	(1,204,474)	-	-	-	-	-	(1,204,474)
Disposals	(2,243,323)	-	(687,817)	(2,850)	-	-	(2,933,990)
At 31 July 2011	69,094,497	3,147,826	4,178,380	12,864,132	700,833	9,468,053	99,453,721

11. ACCOUNTANTS' REPORT (Cont'd)

7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(5) Property, plant and equipment (cont'd)

	Land and buildings	Plant and machinery	Motor vehicles	Furniture, fitting and other equipment	Renovation	Total
	RM	RM	RM	RM	RM	RM
Accumulated depreciation						
At 1 October 2007	255,498	574,849	1,243,339	391,290	120,836	2,585,812
Charge for the financial year	116,438	243,940	379,948	240,868	61,248	1,042,442
Disposals	-	-	(403,039)	-	-	(403,039)
Written off	-	(78,668)	-	-	-	(78,668)
At 30 September 2008	371,936	740,121	1,220,248	632,158	182,084	3,146,547
Charge for the financial year	148,270	488,969	394,613	679,068	62,569	1,773,489
Written off	-	-	-	(650)	-	(650)
At 30 September 2009	520,206	1,229,090	1,614,861	1,310,576	244,653	4,919,386
Charge for the financial year	814,326	440,494	393,962	1,424,845	60,238	3,133,865
Disposals	-	(55,550)	-	(4,350)	-	(59,900)
At 30 September 2010	1,334,532	1,614,034	2,008,823	2,731,071	304,891	7,993,351
Charge for the financial period	1,089,443	283,080	474,777	1,337,826	52,257	3,237,383
Disposals	(150,346)	-	(653,984)	(2,375)	-	(806,705)
At 31 July 2011	2,273,629	1,897,114	1,829,616	4,066,522	357,148	10,424,029

11. ACCOUNTANTS' REPORT (Cont'd)

7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(5) Property, plant and equipment (cont'd)

Net carrying amount	Land and buildings	Plant and machinery	Motor vehicles	Furniture, fitting and other equipment	Renovation	Infrastructure in progress	Total
	RM	RM	RM	RM	RM	RM	RM
30 September 2008	8,990,442	2,040,925	1,321,354	1,024,892	430,402	-	13,808,015
30 September 2009	50,342,010	1,904,056	1,062,795	6,451,060	408,058	-	60,167,979
30 September 2010	50,028,061	1,493,126	722,948	8,285,868	347,820	-	60,877,823
31 July 2011	66,820,868	1,250,712	2,348,764	8,797,610	343,685	9,468,053	89,029,692

The Group has elected to measure, in accordance with FRS 1, para 17, its revalued land and buildings at the date of transition to FRS, as deemed cost.

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(5) Property, plant and equipment (cont'd)

Analysis of land and buildings:-

	Land and buildings	Long term leasehold land	Long term leasehold buildings	Cabin	Total
	RM	RM	RM	RM	RM
Cost					
At 1 October 2007	5,374,580	381,014	2,793,508	153,200	8,702,302
Addition	492,576	-	-	167,500	660,076
At 30 September 2008	5,867,156	381,014	2,793,508	320,700	9,362,378
Additions	-	46,584	41,430,754	22,500	41,499,838
At 30 September 2009	5,867,156	427,598	44,224,262	343,200	50,862,216
Addition	-	-	500,377	-	500,377
At 30 September 2010	5,867,156	427,598	44,724,639	343,200	51,362,593
Additions	-	653,416	20,526,285	-	21,179,701
Transfer	-	-	(1,204,474)	-	(1,204,474)
Disposal	-	(381,014)	(1,862,309)	-	(2,243,323)
At 31 July 2011	5,867,156	700,000	62,184,141	343,200	69,094,497
Accumulated depreciation					
At 1 October 2007	-	18,181	135,621	101,696	255,498
Charge for the financial year	-	4,537	28,785	83,116	116,438
At 30 September 2008	-	22,718	164,406	184,812	371,936
Charge for the financial year	-	12,098	33,060	103,112	148,720
At 30 September 2009	-	34,816	197,466	287,924	520,206
Charge for the financial year	-	4,591	783,835	25,900	814,326
At 30 September 2010	-	39,407	981,301	313,824	1,334,532
Charge for the financial period	-	4,726	1,071,194	13,523	1,089,443
Disposals	-	(34,195)	(116,151)	-	(150,346)
Transfer	-	(7,507)	7,507	-	-
At 31 July 2011	-	2,431	1,943,851	327,347	2,273,629
Net carrying amount					
30 September 2008	5,867,156	358,296	2,629,102	135,888	8,990,442
30 September 2009	5,867,156	392,782	44,026,796	55,276	50,342,010
30 September 2010	5,867,156	388,191	43,743,338	29,376	50,028,061
31 July 2011	5,867,156	697,569	60,240,290	15,853	66,820,868



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(5) Property, plant and equipment (cont'd)

Leasehold land and building of the Group with the net carrying amount of RM2,987,398 (30.9.2008), RM10,147,638 (30.9.2009), RM10,105,166 (30.9.2010) and RM72,586,983 (31.7.2011) respectively have been charged to local bank to secure banking facilities for the subsidiary companies.

Freehold land of the Group has been charged to local bank to secure banking facilities granted to the Group.

Net carrying amount of assets held under finance lease arrangements

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Motor vehicles	1,196,729	1,014,095	581,535	2,152,841
Plant and machinery	231,817	105,817	-	-
	<u>1,428,546</u>	<u>1,119,912</u>	<u>581,535</u>	<u>2,152,841</u>

(6) Property development costs

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Brought forward				
- Freehold land, at cost	2,132,565	2,156,565	2,180,565	2,204,565
- Long term leasehold land, at cost	6,587,148	9,639,370	12,560,297	13,378,809
- Development costs	54,300,015	126,233,193	183,797,146	230,363,318
	<u>63,019,728</u>	<u>138,029,128</u>	<u>198,538,008</u>	<u>245,946,692</u>
Cost incurred during the financial year/period				
- Freehold land	24,000	24,000	24,000	1,875,603
- Long term leasehold land	3,052,222	2,920,927	818,512	11,300,274
- Development costs	72,162,785	57,563,953	46,566,172	73,314,186
	<u>75,239,007</u>	<u>60,508,880</u>	<u>47,408,684</u>	<u>86,490,063</u>
At end of year / period				
Less: Reversal of completed project	(229,607)	-	-	-
Total	<u>138,029,128</u>	<u>198,538,008</u>	<u>245,946,692</u>	<u>332,436,755</u>
Cost recognised in the statements of comprehensive income				
- Previous financial year	(44,044,502)	(104,901,345)	(170,543,004)	(215,350,221)
- Current financial year/period	(61,086,450)	(65,641,659)	(44,807,217)	(64,649,977)
Add: Reversal of completed project	229,607	-	-	-
	<u>(104,901,345)</u>	<u>(170,543,004)</u>	<u>(215,350,221)</u>	<u>(280,000,198)</u>
Carried forward	<u>33,127,783</u>	<u>27,995,004</u>	<u>30,596,471</u>	<u>52,436,557</u>
Current assets	33,127,783	27,995,004	30,596,471	42,369,744
Non-current assets	-	-	-	10,066,813

11. ACCOUNTANTS' REPORT (Cont'd)**7. HISTORICAL FINANCIAL INFORMATION (CONT'D)****NOTES TO THE FINANCIAL STATEMENTS (CONT'D)****(6) Property development costs (cont'd)**

The title deed of the freehold land and long term leasehold land amounting to RM356,565 and RM9,639,370 (30.9.2008), RM380,565 and RM9,588,204 (30.9.2009), RM404,565 and RM10,233,573 (30.9.2010) and RM2,280,168 and RM15,096,826 (31.7.2011) respectively are registered in the name of third parties.

The freehold land and long term leasehold land under development amounting to RM1,800,000 and RM6,767,277 (30.9.2008), RM1,800,000 and RM6,966,797 (30.9.2009), RM1,800,000 and RM7,510,994 (30.9.2010) and RM1,800,000 and RM12,169,839 (31.7.2011) respectively are charged to licensed banks to secure banking facilities.

(7) Investment property

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Cost				
Additions/As at	-	-	-	3,389,000
Accumulated depreciation				
Charge for the financial period	-	-	-	44,003
Net Carrying amount				
As at	-	-	-	3,344,997

(8) Deferred tax assets

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
At beginning of financial year	(216,433)	(93,188)	(685,268)	(2,623,642)
Transferred to/(from) statements of comprehensive income	123,245	(592,080)	(1,938,374)	(12,230,291)
At end of financial year / period	(93,188)	(685,268)	(2,623,642)	(14,853,933)
The balance in the deferred tax assets is made up of the tax impact on the temporary differences arising from:-				
The tax effect of the excess of property, plant and equipment's carrying value in excess of its tax base	113,152	113,152	784,778	2,677,000
Unabsorbed business losses	-	-	(626,000)	(633,000)
Unutilised capital allowances	-	-	(122,000)	(118,000)
Unutilised tax allowance	-	-	(1,862,000)	(14,947,000)
Other temporary differences	(206,340)	(798,420)	(798,420)	(1,832,933)
	(93,188)	(685,268)	(2,623,642)	(14,853,933)

One of the subsidiary company is entitled to a tax exemption of an amount equivalent to the 100% of qualifying expenditure incurred within 10 years from the Year of Assessment ("YA") 2008 based on the letter of approval by Majlis Pembangunan Wilayah Ekonomi Pantai Timur dated 2 December 2009. Therefore, in order to determine the statutory income, it is necessary to ascertain the total qualifying expenditure incurred by the subsidiary company during YA 2008 to YA 2017, excluding the rental income derived from certain resort suites.

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(9) Goodwill on consolidation

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Goodwill arising on consolidation	6,487	3,043	3,043	3,043

(10) Amount due from/(to) customers

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Cost incurred to date	1,170,564	682,053	5,587,858	3,945,181
Less: Progress billings to date	(15,578,737)	(2,674,783)	(5,519,764)	(3,530,560)
	(14,408,173)	(1,992,730)	68,094	414,621
Amount due from customers	1,170,564	682,053	5,587,858	3,945,181
Amount due to customers	(15,578,737)	(2,674,783)	(5,519,764)	(3,530,560)
	(14,408,173)	(1,992,730)	68,094	414,621

(11) Inventories

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
At cost:				
Food, beverage and other hotel supplies	-	1,538,395	3,306,636	3,126,934
Shoplots	221,287	-	-	-
	221,287	1,538,395	3,306,636	3,126,934

(12) Trade receivables

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Trade receivables	10,416,688	14,731,230	7,175,989	26,208,124
Accrued billings	35,570,178	20,272,527	18,009,368	14,284,295
Retention sums	33,382	33,382	33,382	33,382
	46,020,248	35,037,139	25,218,739	40,525,801
Less: Allowance for impairment loss				
At 1 October	-	(33,382)	(33,382)	(33,382)
Impairment loss recognised	(33,382)	-	-	(166,920)
At 30 September / 31 July	(33,382)	(33,382)	(33,382)	(200,302)
	45,986,866	35,003,757	25,185,357	40,325,499

The normal credit terms granted by Group to the trade receivables ranging from 21 days to 60 days. Other credit terms are assessed and approved by the management on case-by-case basis.

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(12) Trade receivables (cont'd)

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:-

	<u>Gross</u> RM	Individually <u>Impaired</u> RM	<u>Net</u> RM
31.7.2011			
Not past due	17,404,671	-	17,404,671
Past due 0-30 days	7,865,018	-	7,865,018
Past due 31-60 days	4,008	-	4,008
Past due 61-90 days	71,301	-	71,301
More than 1 year	896,508	(200,302)	696,206
	26,241,506	(200,302)	26,041,204

The Group have trade receivables amounting to RM8,636,533 that are past due at the reporting date but not impaired. No allowance has been made as the Board is of the view that the amount is recoverable.

The net carrying amount of trade receivables is considered a reasonable approximate of fair value. The maximum exposure to credit risk is the carrying value of each class of receivables mentioned above. Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

The Directors are of the opinion that the trade receivables, net of the above mentioned allowance for impairment loss are recoverable. Therefore, no additional allowance for impairment loss is required.

(13) Other receivables

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Deposits	174,442	593,168	738,375	2,533,786
Prepayment	150	2,191	20,816	37,014
Non-trade receivables	6,208,791	16,980,592	33,499,513	3,181,588
	6,383,383	17,575,951	34,258,704	5,752,388
Less: Allowance for impairment loss				
At 1 October	(2,925)	(18,000)	(18,000)	(18,000)
Impairment loss recognised	(18,000)	-	-	-
Impairment loss reversed	2,925	-	-	18,000
At 30 September / 31 July	(18,000)	(18,000)	(18,000)	-
	6,365,383	17,557,951	34,240,704	5,752,388



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(13) Other receivables (cont'd)

Included in non-trade receivables of the Group are amounts of RM2,577,361 (30.9.2008), RM12,230,822 (30.9.2009), RM22,615,385 (30.9.2010) and RMNil (31.7.2011) respectively which due from companies in which certain Directors have interests. The amounts due from the said companies are unsecured, bear no interests and are repayable on demand.

(14) Fixed deposits with licensed banks

Included in fixed deposits with licensed banks is an amount of RM2,239,309 (30.9.2008), RM2,569,493 (30.9.2009), RM2,679,043 (30.9.2010) and RM2,790,238 (31.7.2011) which was pledged to banks for credit facilities granted.

(15) Cash and bank balances

Included in cash and bank balances of the Group is an amount of RM3,109,489 (30.9.2008), RM2,523,278 (30.9.2009), RM5,142,075 (30.9.2010) and RM9,422,704 (31.7.2011) which is not freely available for the Group's use as it is held under Housing Development Accounts pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966.

(16) Share Capital

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Authorised:- 5,000,000 ordinary shares of RM1 each	5,000,000	5,000,000	5,000,000	5,000,000
Issued and fully paid:- 2,000,000 ordinary shares of RM1 each	2,000,000	2,000,000	2,000,000	2,000,000

(17) Revaluation Reserve

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
<u>Non-distributable</u> Surplus on revaluation of freehold land	2,271,286	2,271,286	2,271,286	2,271,286

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(18) Borrowings

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Current				
<u>Secured</u>				
Finance lease liabilities	301,414	318,688	285,545	445,614
Bank overdrafts	1,614,522	6,192,926	4,822,321	1,522,869
Bankers' acceptance	2,240,000	2,230,000	3,080,000	2,915,000
Term loans	5,335,931	3,936,825	5,651,382	5,400,464
	<u>9,491,867</u>	<u>12,678,439</u>	<u>13,839,248</u>	<u>10,283,948</u>
Non-current				
<u>Secured</u>				
Finance lease liabilities	725,442	467,206	168,011	1,224,172
Term loan				
- More than 1 year but less than 5 years	1,957,332	19,628,374	17,735,784	28,732,458
- More than 5 years	773,814	2,071,638	1,016,178	9,844,844
	<u>2,731,146</u>	<u>21,700,012</u>	<u>18,751,962</u>	<u>38,577,302</u>
	<u>3,456,588</u>	<u>22,167,218</u>	<u>18,919,973</u>	<u>39,801,474</u>
Total	<u>12,948,455</u>	<u>34,845,657</u>	<u>32,759,221</u>	<u>50,085,422</u>

The repayment terms of the term loans vary from monthly installments to yearly installments.

The borrowings are secured by way of:-

- (i) Legal charge over certain properties (Note 5);
- (ii) Pledge of fixed deposits with licensed banks (Note 14);
- (iii) Corporate guarantee from Credit Guarantee Corporation Malaysia Berhad;
- (iv) Joint and several guarantee by the certain directors of the Company;
- (v) Corporate guarantee of the Company for borrowings facilities granted to subsidiary companies; and
- (vi) Legal charge over the freehold land and long term leasehold land under development (Note 6).

The term loans and bank overdraft facilities bear interest rates ranging from 1.25% to 2.00% per annum above the banks' base lending rates for FYE 2008 to FYE 2010 and for FPE July 2011.

Bankers' acceptance is charged at interest rates of 2.92% to 7.80% per annum for FYE 30 September 2008 to FYE September 2010 and FPE July 2011.

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(18) Borrowings (cont'd)

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Finance lease liabilities				
Minimum lease payments				
- not later than 1 year	349,272	361,824	277,781	522,163
- more than 1 year but less than 5 years	774,365	480,916	200,641	1,328,972
	1,123,637	842,740	478,422	1,851,135
Future finance charges	(96,781)	(56,846)	(24,866)	(181,348)
Present value of finance lease liabilities	1,026,856	785,894	453,556	1,669,787
Present value of finance lease liabilities				
- not later than 1 year	301,414	318,688	285,545	445,615
- more than 1 year but less than 5 years	725,442	467,206	168,011	1,224,172
	1,026,856	785,894	453,556	1,669,787

The finance lease liabilities bear interests at rates ranges from 2.28% to 5.00% per annum for FYE 30 September 2008 to FYE September 2010 and FPE July 2011.

(19) Trade payables

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Trade payables	26,331,440	35,977,126	23,683,253	24,035,546
Retention sums	1,954,478	3,591,097	3,197,594	5,262,366
	28,285,918	39,568,223	26,880,847	29,297,912

The normal credit term granted by trade payables ranges from 30 - 60 days.

Included in the trade payables is an amount of RMNil (30.9.2008), RM4,330,589 (30.9.2009), RM3,393,524 (30.9.2010) and RMNil (31.7.2011) due to a company in which certain Directors have interests. The amounts due to the said companies are unsecured, interests free and are repayable on demand.

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(20) Other payables

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
Accruals	1,783,364	3,951,065	19,599,092	28,563,155
Non-trade payables	7,815,685	8,979,063	10,346,636	2,505,211
	<u>9,599,049</u>	<u>12,930,128</u>	<u>29,945,728</u>	<u>31,068,366</u>

Included in other payables are amounts of RM1,940,912 (30.9.2008), RM1,766,498 (30.9.2009), RM2,432,019 (30.9.2010) and RMNil (31.7.2011) which are due to companies in which certain Directors have interests. The amounts due to the said companies are unsecured, bear no interests and repayable on demand.

(21) Amount due to Directors

Amount due to Directors represents advances made by certain Directors and expenses paid on behalf. The amount is unsecured, bears no interest and repayable on demand.

(22) Employees benefits expenses

Year/Period ended	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2010 RM	31.7.2011 RM
Directors' remuneration					
- other emoluments	1,137,024	1,230,656	1,459,842	1,228,368	1,828,736
Salaries and other emoluments	6,301,300	8,940,025	13,405,681	11,253,469	15,521,153
Social security contributions	32,169	65,648	160,719	138,286	158,450
Defined contribution plan	336,221	555,354	833,052	845,709	1,101,077
Other staff related expenses	268,512	359,872	590,321	520,376	487,671
	<u>8,075,226</u>	<u>11,151,555</u>	<u>16,449,615</u>	<u>13,986,208</u>	<u>19,097,087</u>

(23) Contingent liabilities

As at	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2011 RM
<u>Secured:-</u>				
Bank guarantee given to local authorities for property development	<u>3,607,921</u>	<u>4,768,013</u>	<u>4,647,258</u>	<u>5,167,238</u>

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(24) Related party transactions

(a) Significant related party transactions during the financial year/period were as follows:-

Year/Period ended	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2010 RM	31.7.2011 RM
Rental received from a company in which certain directors have interest					
- current	27,000	700,000	60,000	60,000	-
- over recognised in prior financial year	-	-	-	-	(60,000)
Agency fees paid to persons connected to a director	23,366	3,356	24,000	-	20,600
Disposal of land to a Director	-	-	-	-	478,455
Sales to a company connected to a director	-	-	-	-	50,000
Progress billings issued to a company in which certain directors have interests	-	3,288,600	365,400	287,210	2,723,680
Catering services paid to a company in which certain directors have interests	20,000	40,000	-	-	-
Progress billing issued to persons connected to a director	226,520	355,960	64,720	64,720	-
Rental paid to persons connected to a director	-	-	36,000	40,000	40,000
Maintenance services paid to a company in which certain directors have interests	49,610	93,240	125,668	10,210	-
Rental paid to a company in which certain directors have interests	48,000	608,000	195,420	77,140	203,800
Progress billings issued by a company in which certain directors have interests	7,019,100	24,235,060	-	-	29,047,068
Rental of computer equipment paid to a company in which certain directors have interests	5,790	11,760	2,675	2,675	-

(b) The remuneration of other members of key management personnel during the financial period/year are as follows:-

Year/Period ended	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM	31.7.2010 RM	31.7.2011 RM
Salaries and other short-term employee benefits	74,562	323,267	413,938	324,401	869,939
Bonus	16,800	24,900	72,900	83,500	123,100
Defined contribution plan	10,902	38,642	45,359	43,828	90,432
	102,264	386,809	532,197	451,729	1,083,471



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(25) Event after reporting period

- (a) On 13 September 2011, Sentoria Themeparks and Resorts Sdn. Bhd., a wholly owned subsidiary of the Company acquired the entire equity interest of Sentoria Morib Sdn Bhd., comprising 2 ordinary shares of RM1 each for a total consideration of RM2; and
- (b) On 13 September 2011, Sentoria Themeparks and Resorts Sdn. Bhd., a wholly owned subsidiary of the Company acquired the entire equity interest of Sempurna Resort Kuantan Sdn Bhd., comprising 2 ordinary shares of RM1 each for a total consideration of RM2; and
- (c) On 4 October 2011, the Company subscribed additional 5,900,000 ordinary shares of RM1 each of subsidiary company, Sentoria Themeparks and Resorts Sdn. Bhd for a total consideration of RM5,900,000 by way of capitalisation the amounts due from Sentoria Themeparks and Resorts Sdn. Bhd.
- (d) On 23 November 2011, the Company has sub-divided its authorised share capital from 5,000,000 ordinary shares of RM1 each to 25,000,000 ordinary shares of RM0.20 each. With that, the existing issued and paid up share capital of 2,000,000 ordinary shares of RM1 each has been divided into 10,000,000 ordinary shares of RM0.20 each; and
- (e) On 23 November 2011, the Company has increased its authorised share capital from 25,000,000 ordinary shares of RM0.20 each to 500,000,000 ordinary shares of RM0.20 each by creation of additional 475,000,000 ordinary shares of RM0.20 each; and
- (f) On 24 November 2011, the Company has increased its issued and paid up capital from 10,000,000 ordinary shares of RM0.20 each to 340,000,000 of ordinary shares of RM0.20 each by way of a bonus issue of 330,000,000 new ordinary shares of RM0.20 each which rank pari passu in all respect with the existing ordinary shares of the Company by capitalisation of Company's unappropriated profit.

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(26) Operating Segments

Management currently identifies the Group's property development and leisure and hospitality as operating segments. These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results. The following summary describes the operations in each of the Group's reportable segments:-

- (i) Property development and related activities : Development of residential, commercial and leisure properties and its related activities
- (ii) Leisure and hospitality : Hotel and water park operator

Transfer pricing between operating segments are on a negotiated basis and all other transactions with third parties are on an arm's length basis.

(a) Business segments31.7.2011

	Note	Property Development RM	Leisure and hospitality RM	Eliminations RM	Consolidated RM
Revenue :					
External revenue		100,190,172	43,480,436	-	143,670,608
Inter-segment revenue	A	151,903,709	-	(151,903,709)	-
		<u>252,093,881</u>	<u>43,480,436</u>	<u>(151,903,709)</u>	<u>143,670,608</u>
Results :					
Segment profit	B	103,777,100	7,407,110	(75,756,371)	35,427,839
Interest income		156,153	156	-	156,309
Finance cost		(575,785)	(1,446,882)	-	(2,022,667)
Depreciation and amortisation		(1,065,301)	(2,216,085)	-	(3,281,386)
Income tax expense		(7,606,156)	11,587,000	665,040	4,645,884
Other non-cash income/ (expense)	C	1,256,993	(82,920)	-	1,174,073
Assets :					
Segment assets	D	269,157,946	95,388,452	(151,741,299)	212,805,099
Additions to non-current assets	E	6,116,740	30,858,058	(69,261)	36,905,537
Liabilities :					
Segment liabilities	F	140,551,868	62,270,598	(138,925,628)	63,896,838

11. ACCOUNTANTS' REPORT (Cont'd)



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(26) Operating Segments (cont'd)

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements.

- A. Intersegment revenues are eliminated on consolidation.
- B. The following items are added to / (deducted from) segment profit to arrive at "profit before taxation" presented in the consolidated Statements of Comprehensive Income :-

	<u>31.7.2011</u>
	RM
Segment profit	35,427,839
Interest income	156,309
Finance costs	<u>(2,022,667)</u>
	<u>33,561,481</u>

- C. Other non-cash (expenses) / income consist of the following items as presented in the respective notes to the financial statements:-

	<u>31.7.2011</u>
	RM
Bad debts written off	(18,000)
Gain on disposal of property, plant and equipment	1,340,993
Impairment loss on trade receivables	(166,920)
Impairment loss on other receivables no longer required	<u>18,000</u>
	<u>1,174,073</u>

- D. The following items are added to segment assets to arrive at total assets reported in the consolidated Statements of Financial Position :-

	<u>31.7.2011</u>
	RM
Segment assets	212,805,099
Deferred tax	<u>14,853,933</u>
Total assets	<u>227,659,032</u>



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(26) Operating Segments (cont'd)

- E. Additions to non-current assets other than financial instruments and deferred tax assets consist of :-

	<u>31.7.2011</u>
	RM
Property, plant and equipment	33,516,537
Investment properties	<u>3,389,000</u>
	<u>36,905,537</u>

- F. The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated Statements of Financial Position :-

	<u>31.7.2011</u>
	RM
Segment liabilities	63,896,838
Borrowings	50,085,422
Tax payables	<u>5,663,928</u>
Total liabilities	<u>119,646,188</u>

(b) Geographical segment

Geographical segment is not prepared as the Group mainly carries out its business activities in Malaysia.

(c) Major customers

The Group does not have any revenue for the single external customer which represents 10% or more of the Group's revenue.



7. HISTORICAL FINANCIAL INFORMATION (CONT'D)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(27). Restatement to the audited financial statements

Certain comparative figures of Group have been reclassified to ensure consistent presentation:-


Year/Period ended	30.9.2008 RM	30.9.2009 RM	30.9.2010 RM
Statements of comprehensive income			
<u>Administration expenses</u>			
As per audited financial statements	5,060,990	6,778,985	14,502,844
Reclassified from other expenses	22,293	523,763	298,832
Reclassified to other expenses	-	(4,552)	(1,950)
As restated	5,083,283	7,298,196	14,799,726
<u>Other expenses</u>			
As per audited financial statements	113,007	604,298	316,282
Reclassified to administration expenses	(22,293)	(523,763)	(298,832)
Reclassified to finance cost	-	(80,535)	-
Reclassified from administration expenses	-	4,552	1,950
As restated	90,714	4,552	19,400
<u>Finance cost</u>			
As per audited financial statements	361,172	365,657	2,067,896
Reclassified from other expenses	-	80,535	-
As restated	361,172	446,192	2,067,896

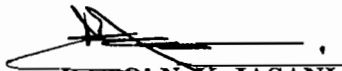


8. AUDITED FINANCIAL STATEMENTS

As at date of this report, no audited financial statements have been prepared in respect of any period subsequent to 31 July 2011 for Sentoria Group Berhad (formerly known as Sentoria Development Sdn. Bhd.) and its subsidiary companies.

Your faithfully,


SJ GRANT THORNTON
Firm Number: AF 0737
Chartered Accountants


DATO' N. K. JASANI
Approval Number: 708/03/12(J/PH)
Partner of the Firm

APPENDIX 1



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

SENTORIA DEVELOPMENT SDN. BHD.

(Incorporated in Malaysia)

Company No: 463344- K

SJ Grant Thornton (AF:0737)

Level 11, Faber Imperial Court

Jalan Sultan Ismail,

P. O. Box 12337

50774 Kuala Lumpur, Malaysia

T +6 (03) 2692 4022

F +6 (03) 2691 5229

www.gt.com.my

Report on the Financial Statements

We have audited the financial statements of Sentoria Development Sdn. Bhd., which comprise the balance sheets as at 30 September 2008, and the income statements, statements of changes in equity and cash flow statements for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 43.

Directors' Responsibilities for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Private Entity Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

11. ACCOUNTANTS' REPORT (Cont'd)



Report on the Financial Statements (cont'd)

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Private Entities Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 September 2008 and of their financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report the following:-

- a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- b) We are satisfied that the financial statements of the subsidiary companies that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- c) The auditors' reports on the financial statements of the subsidiary companies did not contain any qualification or any adverse comment made under Section 174 (3) of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be "SJ Grant Thornton", written over a horizontal line.

SJ GRANT THORNTON
(NO. AF: 0737)
CHARTERED ACCOUNTANTS

A handwritten signature in black ink, appearing to be "Dato' N. K. Jasani", written over a horizontal line.

DATO' N. K. JASANI
CHARTERED ACCOUNTANT
(NO: 708/03/10(J/PH))

Kuala Lumpur
13 March 2009



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

SENTORIA DEVELOPMENT SDN. BHD.

(Incorporated in Malaysia)

Company No: 463344- K

SJ Grant Thornton (AF:0737)

Level 11, Faber Imperial Court

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Report on the Financial Statements

We have audited the financial statements of Sentoria Development Sdn. Bhd., which comprise the balance sheets as at 30 September 2009, and the income statements, statements of changes in equity and cash flow statements for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 42.

Directors' Responsibilities for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Private Entity Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

11. ACCOUNTANTS' REPORT (Cont'd)



Report on the Financial Statements (cont'd)

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Private Entities Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 September 2009 and of their financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report the following:-

- a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- b) We are satisfied that the financial statements of the subsidiary companies that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- c) The auditors' reports on the financial statements of the subsidiary companies did not contain any qualification or any adverse comment made under Section 174 (3) of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to read "SJ Grant Thornton", written over a horizontal line.

SJ GRANT THORNTON
(NO. AF: 0737)
CHARTERED ACCOUNTANTS

A handwritten signature in black ink, appearing to read "Dato' N.K. Jasani", written over a horizontal line.

DATO' N.K. JASANI
CHARTERED ACCOUNTANT
(NO: 708/03/10(J/PH))

Kuala Lumpur
8 March 2010



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

SENTORIA GROUP SDN. BHD.

(formerly known as Sentoria Development Sdn. Bhd.)

(Incorporated in Malaysia)

Company No: 463344- K

SJ Grant Thornton (AF:0737)

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P. O. Box 12337

50774 Kuala Lumpur, Malaysia

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F +603 2691 5229

www.gt.com.my

Report on the Financial Statements

We have audited the financial statements of Sentoria Group Sdn. Bhd. (formerly known as Sentoria Development Sdn. Bhd.), which comprise the balance sheets as at 30 September 2010, and the income statements, statements of changes in equity and cash flow statements for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 50.

Directors' Responsibilities for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

11. ACCOUNTANTS' REPORT (Cont'd)



Report on the Financial Statements (cont'd)

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 September 2010 and of their financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report the following:-

- a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- b) We are satisfied that the financial statements of the subsidiary companies that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- c) The auditors' reports on the financial statements of the subsidiary companies did not contain any qualification or any adverse comment made under Section 174 (3) of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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SJ GRANT THORNTON
(NO. AF: 0737)
CHARTERED ACCOUNTANTS

A handwritten signature in black ink, appearing to read "Dato' N. R. Jasani", written over a horizontal line.

DATO' N. R. JASANI
CHARTERED ACCOUNTANT
(NO: 708/03/12(J/PH))

Kuala Lumpur
28 March 2011



INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF

SENTORIA GROUP BERHAD

(formerly known as Sentoria Development Sdn. Bhd.)

(Incorporated in Malaysia)

Company No: 463344- K

SJ Grant Thornton (AF:0737)

Level 11, Faber Imperial Court

Jalan Sultan Ismail

P. O. Box 12337

50774 Kuala Lumpur, Malaysia

T +603 2692 4022

F +603 2691 5229

www.gt.com.my

Report on the Financial Statements

We have audited the financial statements of Sentoria Group Berhad (formerly known as Sentoria Development Sdn. Bhd.) which comprise the Statements of Financial Position as at 31 July 2011, and the Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows for the financial period from 1 October 2010 to 31 July 2011 and a summary of significant accounting policies and other explanatory notes, as set out on pages 7 to 59.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Report on the Financial Statements (cont'd)

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 July 2011 and of their financial performance and cash flows for the financial period from 1 October 2010 to 31 July 2011.

Other Matters

This report is made solely to the Directors of the Company, as a body and for no other purpose. We do not assume responsibility to any other person for the content of this report

A handwritten signature in black ink, appearing to read "SJ Grant Thornton", written over a horizontal line.

SJ GRANT THORNTON
(NO. AF: 0737)
CHARTERED ACCOUNTANTS

Kuala Lumpur
21 November 2011

12. DIRECTORS' REPORT

(Prepared for inclusion in the Prospectus)

SENTORIA
Live Rewarded

Date: 20 JAN 2012

The Shareholders of
Sentoria Group Berhad
Level 18, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Malaysia

Dear Sir/Madam

On behalf of the Board of Directors of Sentoria Group Berhad ("**Sentoria**"), I wish to report after due enquiry by the Board of Directors of Sentoria, that between the period from 31 July 2011 (being the date to which the last audited financial statements of Sentoria and its subsidiaries ("**Group**") have been made up) to the date of this letter, (being a date not earlier than 14 days before the issuance of this Prospectus), that:-

- (a) the business of our Group has, in the opinion of the Directors, been satisfactorily maintained;
- (b) in the opinion of the Directors, no circumstances have arisen since the last audited financial statements of our Group which have adversely affected the trading or the value of the assets of our Group;
- (c) the current assets of our Group appear in the books at values which are believed to be realisable in the ordinary course of business;
- (d) save as disclosed in this Prospectus, there are no contingent liabilities by reason of any guarantee or indemnity given by the Company or any of its subsidiaries;
- (e) there have been, since the last audited financial statements of our Group, no default or any known event that could give rise to a default situation, on payments of either interest and/or principal sums for any borrowings by the Company or any of its subsidiaries; and
- (f) save as disclosed in this Prospectus, there have been no material changes in the published reserves or any unusual factor affecting the profits of our Group since the last audited financial statements of our Group.

Yours faithfully
For and on behalf of the Board of Directors
SENTORIA GROUP BERHAD


DATO CHAN KONG SAN
Joint Managing Director

Sentoria Group Berhad (463344-K)
(Formerly known as Sentoria Development Sdn. Bhd.)

Kuala Lumpur Head Office : 56 & 58, Jalan Dagang SB 4/2, Taman Sungai Besi Indah, 43300 Seri Kembangan, Selangor DE, Malaysia. T : 03-8943 8388 F : 03-8943 5388 W : www.sentoria.com.my
Kuantan Sales Office : B-2, Jalan IM 3/10, BIM Point, Bandar Indera Mahkota, 25200 Kuantan, Pahang DM, Malaysia. T : 09-573 8161 F : 09-573 5161

13. ESOS BY-LAWS*(Prepared for inclusion in the Prospectus)***1. DEFINITIONS AND INTERPRETATIONS**

1.1 In these By-Laws, the following terms shall, unless the context otherwise requires, have the following meanings:

Act	:	The Companies Act 1965, as amended from time to time and any re-enactment thereof, including all regulations issued thereunder.
Articles	:	Articles of Association of the Company, as amended from time to time.
Board	:	The Board of Directors of SGB for the time being.
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (165570-W).
Bursa Securities	:	Bursa Malaysia Securities Berhad (635998-W).
CDS	:	Central Depository System.
CDS Account	:	The account established by Bursa Depository for the recording of deposit and withdrawal of securities and for dealing in such securities by a depositor.
Central Depositories Act	:	The Securities Industry (Central Depositories) Act, 1991, as amended from time to time, including any statutory modification, amendment or re-enactment thereof for the time being in force.
Date of Acceptance	:	The date whereupon the Option Committee shall receive the written notice from an Eligible Director and Eligible Employee accepting an Offer.
Date of Offer	:	The date on which an Offer (including any subsequent Offers) is made to an Eligible Director and/or Eligible Employee by the Option Committee to participate in the Scheme in the manner provided in By-Law 5 .
Depository Rules	:	Rules of Depository, as amended from time to time.
Director(s)	:	A director within the meaning of Section 4 of the Act.
Duration of the Scheme	:	The duration of the Scheme as specified in By-Law 19 .
Effective Date	:	The date on which the Scheme comes into force as provided in By-Law 19 .
Eligible Companies	:	The Company and its Eligible Subsidiaries
Eligible Director(s)	:	Directors (including both Executive Director(s) and Non-Executive Director(s)) who meet(s) the criteria of eligibility for participation in the Scheme as set out in By-Law 3 .
Eligible Employee(s)	:	Employee(s) of the SGB Group (excluding subsidiaries that are dormant) who meet(s) the criteria of eligibility for participation in the Scheme as stipulated under By-Law 3 .
Eligible Subsidiaries	:	Subsidiaries within the Group which are eligible to participate in the Scheme as determined by the Option Committee but excluding subsidiaries that are dormant.

13. ESOS BY-LAWS (Cont'd)

- ESOS or Scheme : The employees' share option scheme for the granting of Options to the Eligible Directors and Eligible Employees to subscribe for new SGB Shares upon the terms as set out in the By-Laws, such Scheme to be known as the "SGB Employees' Share Option Scheme".
- Executive Director(s) : Director(s) of SGB and Eligible Subsidiaries who, on the Date of Offer, is/are on the payroll of the Company or Eligible Subsidiaries and is/are involved in the day-to-day management of the Company or such Eligible Subsidiaries.
- Grantee : An Eligible Director or Eligible Employee who has accepted the Offer in accordance with **By-Law 6**.
- Listing Requirements : Main Market Listing Requirements of Bursa Securities as amended from time to time.
- Market Day(s) : Any day between Monday and Friday, both days inclusive, which is not a public holiday and on which Bursa Securities is open for the trading of securities.
- Maximum Allowable Allotment : The maximum number of new SGB Shares that may be offered and allotted to an Eligible Director or Eligible Employee in accordance with the provisions of **By-Law 4**.
- Non-Executive Director(s) : Director(s) of SGB and Eligible Subsidiaries who, on the Date of Offer, is/are a Director of the Company or any Eligible Subsidiaries but is/are not involved in the day-to-day management of the Company or such Eligible Subsidiaries.
- SGB or Company : Sentoria Group Berhad (Company No. 643344-K) and includes its successor-in-title and permitted assigns.
- SGB Group or Group : SGB and its subsidiaries as defined in Section 5 of the Act. Subsidiaries include subsidiaries existing as at the Effective Date and subsidiaries incorporated or acquired at any time during the duration of the Scheme but exclude subsidiaries which have been divested in the manner provided in **By-Law 22**.
- SGB Share(s) or Share(s) : Ordinary share(s) of RM0.20 each in SGB.
- Offer(s) : Written offer(s) by the Option Committee to an Eligible Director and/or Eligible Employee to participate in the Scheme in the manner indicated in **By-Law 5**.
- Option(s) : The right of a Grantee to subscribe for new SGB Shares pursuant to the contract constituted by the acceptance of an Offer by an Eligible Director or Eligible Employee in the manner indicated in **By-Law 6**.
- Option Certificate : The certificate issued by the Option Committee confirming the grant of the Option to an Eligible Director or Eligible Employee and the Subscription Price together with the number of SGB Shares comprised in the Option.
- Option Committee : The committee duly authorised and appointed by the Board to administer the Scheme comprising a Director or Directors of the Company and other persons appointed from time to time by the Board.

13. ESOS BY-LAWS (Cont'd)

- Option Period : The period commencing from the Date of Offer and expiring at the end of five (5) years from the Effective Date or such other period as may be specifically stated in the Offer provided that no option period shall extend beyond the duration referred to under **By-Law 19** or in the event of a termination of the Scheme, the date of termination of the Scheme.
- Person Connected : Person connected as defined in Paragraph 1.01 of the Listing Requirements.
- Record of Depositors : The record of securities holders as established by Bursa Depository under the rules of Bursa Depository
- RM and sen : Ringgit Malaysia and sen respectively.
- Subscription Price : The price at which the Grantee shall be entitled to subscribe for new SGB Shares as determined in accordance with **By-Law 8**.
- Scheme Shares : New SGB Shares to be allotted and issued pursuant to the exercise of the Options granted under the Scheme.

1.2 In these By-Laws:

- (a) any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision and any Listing Requirements, policies and/or guidelines of the relevant authorities (in each case, whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the reasonable commercial practice of persons to whom such requirements, policies and/or guidelines are addressed to by Bursa Securities and/or the relevant authorities);
- (b) any reference to a statutory provision shall include that provision as from time to time modified or re-enacted whether before or after the date of these By-Laws so far as such modification or re-enactment applies or is capable of applying to any Options offered and accepted within the duration of the Scheme and shall also include any past statutory provision (as from time to time modified or re-enacted) which such provision has directly or indirectly replaced;
- (c) words denoting the singular meaning, where the context so admits, include the plural meaning and vice versa;
- (d) words of the masculine gender include the feminine genders and all such words shall be construed interchangeably in that manner;
- (e) any liberty or power which may be exercised or any determination which may be made hereunder by the Option Committee may be exercised in the Option Committee's discretion;
- (f) the headings in these By-Laws are for convenience only and shall not be taken into account in the interpretation of these By-Laws; and
- (g) if an event is to occur on a stipulated day which is not a Market Day, then the stipulated day will be taken to be the first Market Day after that day.

2. MAXIMUM NUMBER OF SGB SHARES AVAILABLE UNDER THE SCHEME

- 2.1 The maximum number of new SGB Shares to be issued pursuant to the exercise of the Options which may be granted under the Scheme shall not exceed ten percent (10%) of the total issued and paid-up share capital (excluding treasury shares) of the Company at any point of time throughout the duration of the Scheme as provided in **By-Law 19**.

13. ESOS BY-LAWS (Cont'd)

- 2.2 Notwithstanding **By-Law 2.1** or any other provision herein contained, in the event the maximum number of new SGB Shares comprised in the Options granted under the Scheme exceeds the aggregate of ten percent (10%) of the issued and paid-up share capital (excluding treasury shares) of the Company as a result of the Company purchasing its own shares in accordance with Section 67A of the Act or undertaking any other corporate proposal and thereby diminishing its issued and paid-up share capital, then such Options granted prior to the adjustment of the issued and paid-up share capital (excluding treasury shares) of the Company shall remain valid and exercisable in accordance with the provisions of the By-Laws. No further Options shall be offered until the total number of new SGB Shares comprised in the Options granted or to be granted under the Scheme falls below ten percent (10%) of the issued and paid-up share capital (excluding treasury shares) of the Company.

3. ELIGIBILITY

- 3.1 Subject to the discretion of the Option Committee, any employee(s) of the SGB Group (excluding subsidiaries that are dormant) shall be eligible to participate in the Scheme if, as at the Date of Offer, the Eligible Employee:-

- (a) is at least 18 years of age;
- (b) is confirmed in writing as a full time employee and/or has been in the employment of the Company or any Eligible Subsidiaries for a period of at least 6 months of continuous service prior to and up to the Date of Offer, including service during the probation period; and
- (c) fulfils any other criteria and/or falls within such category as may be determined by the Option Committee from time to time.

Subject to the discretion of the Option Committee, any director(s) of the SGB Group shall be eligible to participate in the Scheme if, as at the Date of Offer, the director:-

- (a) is at least 18 years of age;
- (b) has been an Executive Director or Non-Executive Director of the Company or any of the Eligible Subsidiaries for a period of at least 6 months; and
- (c) fulfils any other criteria and/or falls within such category as may be determined by the Option Committee from time to time.

- 3.2 Eligibility under the Scheme does not confer on an Eligible Director and/or Eligible Employee a claim or right to participate in or any rights whatsoever under the Scheme and an Eligible Director and/or Eligible Employee does not acquire or have any rights over or in connection with the Options or the new SGB Shares comprised therein unless an Offer has been made in writing by the Option Committee to the Eligible Director or Eligible Employee under **By-Law 5** and the Eligible Director or Eligible Employee has accepted the Offer in accordance with the terms of the Offer and the Scheme.
- 3.3 A set of criteria on staff eligibility and allocation as determined by the Board from time to time shall be made available to all Eligible Directors or Eligible Employees. The allocation of the Options pursuant to the Scheme shall be verified by the audit committee at the end of each financial year and an audit committee statement on the verification of the allocation shall be included in the annual report of SGB.

4. MAXIMUM ALLOWABLE ALLOTMENT AND BASIS OF ALLOCATION

- 4.1 Subject to any adjustment which may be made under **By-Law 15**, the maximum number of new SGB Shares that may be offered under the Scheme shall be at the sole and absolute discretion of the Option Committee after taking into consideration, amongst others, the Eligible Director's and the Eligible Employee's position, performance, length of service and seniority in SGB and the SGB Group, respectively, or such other matters which the Option Committee may in its discretion deem fit subject to the following:-

13. ESOS BY-LAWS (Cont'd)

- (a) the number of Options granted under the Scheme shall not exceed the amount stipulated in **By-Law 2.1**;
- (b) the number of new SGB Shares allocated, in aggregate, to the Eligible Directors and senior management of the SGB Group does not exceed 50% of the total number of new SGB Shares to be issued under the Scheme; and
- (c) the number of new SGB Shares allocated to any Eligible Director and/or Eligible Employee who, either singly or collectively through Persons Connected with such Eligible Director and/or Eligible Employee, holds 20% or more of the issued and paid-up share capital (excluding treasury shares) of the Company, does not exceed 10% of the total number of new SGB Shares to be issued under the Scheme,

provided always that it is in accordance with any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other requirements of the relevant authorities and as amended from time to time.

- 4.2 At the time the Offer is made in accordance with **By-Law 5**, the Option Committee shall set out the basis of allotment, identifying the category or grade of the Eligible Directors and/or Eligible Employee and the Maximum Allowable Allotment for the Eligible Director and/or Eligible Employee.
- 4.3 Any Eligible Employee who holds more than one position within the SGB Group and by holding such positions, the Eligible Director or Eligible Employee is in more than one category, shall only be entitled to the Maximum Allowable Allotment of any one of those categories. The Option Committee shall be entitled at its discretion to determine the applicable category.
- 4.4 In the event that an Eligible Employee is promoted, the Maximum Allowable Allotment applicable to such Eligible Employee shall be the Maximum Allowable Allotment corresponding to the category of Eligible Employee of which he then is a party, subject always to the maximum number of SGB Shares available under the Scheme as stipulated under **By-Law 2.1**.
- 4.5 An Eligible Employee who is demoted to a lower grade for whatsoever reason shall only be entitled to such Maximum Allowable Allotment corresponding to the category of Eligible Employee to which such Eligible Employee has been demoted unless the Offer has been made and accepted by him prior to such demotion, subject always to the maximum number of new SGB Shares available under the Scheme as stipulated under **By-Law 2.1**, and where the demoted Eligible Employee has accepted the Offer which exceeds the Maximum Allowable Allotment under the category to which such Eligible Employee has been demoted, such Eligible Employee shall not be entitled to further allocation under such category.

5. OFFER OF OPTIONS

- 5.1 Subject to **By-Law 5.2** below, the Option Committee shall, within the Duration of the Scheme, make Offers at any time and from time to time to any Eligible Director or Eligible Employee whom the Option Committee may in its sole and absolute discretion select to subscribe for new SGB Shares under an Option, provided always that any Offer shall not comprise less than 100 Scheme Shares and always be in multiples of 100 Scheme Shares and subject always to not being more than an Eligible Director's or Eligible Employee's Maximum Allowable Allotment.
- 5.2 Subject to **By-Law 4**, nothing herein shall prevent the Option Committee from making more than one Offer within the Duration of the Scheme to an Eligible Director or Eligible Employee after the first Offer was made at any point of time provided always that the total aggregate number of new SGB Shares to be offered to the Eligible Director or Eligible Employee (inclusive of SGB Shares already offered under previous Offers, if any) shall not exceed the Maximum Allowable Allotment of such Eligible Director or Eligible Employee.

13. ESOS BY-LAWS (Cont'd)

- 5.3 Notwithstanding **By-Law 5.1** above, where it involves a grant of Option to an Eligible Director or Eligible Employee who is a member of the Option Committee, such grant of Options shall be decided by the Board and carried out by the Option Committee.
- 5.4 The actual number of new SGB Shares which may be offered to an Eligible Director or Eligible Employee shall be at the discretion of the Option Committee and subject to any adjustment that may be made under **By-Law 15**.
- 5.5 No Options will be granted to any Director or chief executive or major shareholder of the Company or any Person Connected with a Director or chief executive or major shareholder of the Company unless shareholders in general meeting have approved the specific allotment to be made to such person(s).
- 5.6 Any Offer made by the Option Committee will be in writing and such Offer is personal to the Eligible Director or Eligible Employee to whom the Offer is made, and is non-assignable, non-transferable, non-chargeable and non-disposable in any manner whatsoever.
- 5.7 Unless otherwise approved in writing by the Option Committee in its absolute discretion, any Offer shall automatically lapse and be null and void in the event of the death of the Eligible Director or Eligible Employee or the Eligible Director or Eligible Employee cease to be employed for any reason whatsoever prior to the acceptance of the Offer by the Eligible Director or Eligible Employee in the manner set out in **By-Law 6** hereof.
- 5.8 The Option Committee will in its letter of offer ("**Offer Letter**") to an Eligible Director or Eligible Employee set out (amongst others):-
- (a) the number of new SGB Shares that may be subscribed for under the Offer;
 - (b) the number of new SGB Shares that were not subscribed pursuant to the Options granted in the previous or earlier Offer (if any);
 - (c) the Subscription Price;
 - (d) the Option Period;
 - (e) the closing date for acceptance of the Offer as stipulated in **By-Law 6.1**; and
 - (f) the manner and conditions of exercise of the Options.
- 5.9 The Company shall keep and maintain at its expense a register of Grantees and shall enter in that register the names and addresses of the Grantees, the Maximum Allowable Allotment, the number of Options offered and accepted, the number of Options exercised, the Offer Date and the Subscription Price.
- 5.10 Without prejudice to **By-Law 16**, in the event the Offer Letter contains an error on the part of the Company in stating any of the particulars in **By-Law 5.8** above, the Company shall issue a revised Offer Letter, stating the correct particulars of the Offer within 14 days of discovering such error and the revised particulars of the Offer shall take effect on the date of the revised Offer Letter except for Options which have already been exercised as at the date of the revised Offer Letter.

13. ESOS BY-LAWS (Cont'd)

6. ACCEPTANCE OF OFFER

- 6.1 An Offer made by the Option Committee to an Eligible Director or Eligible Employee under **By-Law 5** shall be valid for a period of 30 days from the Date of Offer or such longer period as may be determined by the Option Committee on a case-to-case basis at its discretion ("**Prescribed Period**"), and shall be accepted within this Prescribed Period by the Eligible Director or Eligible Employee to whom the Offer is made by a written notice to the Option Committee in such form as may be prescribed by the Option Committee of such acceptance and accompanied by a payment to the Company of a nominal non-refundable cash consideration of RM1.00 only for the grant of the Option. The day of receipt of such written notice shall constitute the Date of Acceptance.
- 6.2 If the Offer is not accepted in the manner aforesaid within the Prescribed Period, such Offer shall upon the expiry of the Prescribed Period automatically lapse and shall be null and void and be of no further force and effect, and the new SGB Shares comprised in such Options may, at the discretion of the Option Committee, be re-offered to other Eligible Directors or Eligible Employees.
- 6.3 Within 30 days after the due acceptance of the Offer in accordance with the provisions of these By-Laws, the Option Committee shall issue to the Grantee an Option Certificate in such form as may be determined by the Option Committee.

7. EXERCISE OF OPTION

7.1 Subject to **By-Law 9**, an Option granted to a Grantee under the Scheme is exercisable only by that Grantee whilst the Grantee is in the employment by or appointment in the SGB Group within the Option Period. Upon acceptance of the Offer, the Grantee may during the Option Period and unless otherwise provided in these By-Laws, exercise the Options in the following manner:-

- (a) For Eligible Directors or Eligible Employees who are eligible at commencement of the Scheme:-

Maximum percentage of Options exercisable in each year commencing from the Date of Acceptance				
Y1	Y2	Y3	Y4	Y5
20 %	20 %	20 %	20 %	20 %

- (b) Eligible Directors or Eligible Employees who become eligible after commencement of the Scheme may exercise the Options in equal percentage for each of the remaining years of the Scheme.
- 7.2 All Options granted to a Grantee under the Scheme are only exercisable within the Option Period and all Options to the extent that have not been exercised upon the expiry of the Option Period shall automatically lapse and become null and void and have no further effect.
 - 7.3 In the event that there are any Options that have not been exercised upon the expiry of the Option Period, the Option Committee may at its sole and absolute discretion subject always to the Duration of the Scheme, together with the next Offer (if any) to the same Grantee, offer the same amount of Options which shall be equivalent to the amount of unexercised Options from the previous Offer. For the avoidance of doubt, such an Offer shall constitute an Offer which shall always be subject to **By-Law 15**.
 - 7.4 Subject to any adjustments in accordance with **By-Law 15**, the Option Committee may, at any time and from time to time before or after an Option is granted pursuant to **By-Law 5**, limit the exercise of the Option to a maximum number of new SGB Shares and/or such percentage of the total new SGB Shares relevant to the Option during such periods (as determined by the Option Committee) within the Option Period and impose any other terms and conditions deemed appropriate by the Option Committee at its sole and absolute discretion including amending/varying any term and condition imposed earlier subject always to the provisions of **By-Law 17**.

13. ESOS BY-LAWS (Cont'd)

- 7.5 The Grantee shall notify the Option Committee in writing in the prescribed form or manner as may be determined or specified from time to time by the Option Committee of the Grantee's intention to exercise the Option. The Option may be exercised in respect of such lesser number of SGB Shares as the Grantee may so decide to exercise provided that the number shall be in multiples of and not less than 100 SGB Shares. Such partial exercise of the Option shall not preclude the Grantee from exercising the Option as to the balance thereof at any time in the future but within the Option Period. In the event the balance of SGB Shares exercisable by a Grantee in accordance with these By-Laws shall be less than 100 SGB Shares, the said balance shall, if exercised, must be exercised in a single tranche.
- 7.6 Every such notice to exercise the Option shall be accompanied by the relevant Option Certificate and a remittance for the full amount of the subscription monies in relation to the number of SGB Shares in respect of which the written notice is given. The Company shall endeavour to allot and issue such new SGB Shares to the Grantee in accordance with the provisions of the Company's Articles, the Central Depositories Act and the Depository Rules, despatch the notice of allotment to the Grantee and make an application for the quotation for the new SGB Shares within eight (8) Market Days from the receipt by the Company of the aforesaid notice and remittance from the Grantee or such other period as may be prescribed by Bursa Securities.
- 7.7 The Grantee who exercises his Option shall provide the Option Committee with his CDS Account number in the notice referred to in **By-Law 7.5**. The new SGB Shares to be issued pursuant to the exercise of an Option will be credited directly into the CDS Account of the Grantee and a notice of allotment stating the number of SGB Shares credited into the CDS Account will be issued to the Grantee and no physical share certificate will be issued.
- 7.8 Any failure to comply with the foregoing provisions and/or to provide all information as required in the notice of exercise referred to in **By-Law 7.5** or inaccuracy in the information provided shall result in the notice of exercise being rejected. The Option Committee shall inform the Grantee of the rejection of the said notice within 14 days from the date of the rejection and the Grantee shall be deemed not to have exercised his Option.
- 7.9 Every Option shall be subject to the condition that no new SGB Shares shall be issued to the Grantee pursuant to the exercise of an Option if such an issue would be contrary to any law, enactment, rules and/or regulations of any legislative or non-legislative body which may be in force during the Option Period or such period as may be extended.

8. SUBSCRIPTION PRICE

Subject to any adjustments in accordance with **By-Law 15**, the Subscription Price, which is to be determined by the Board upon recommendation of the Option Committee, shall be based on the higher of the following:-

- (i) the 5-day weighted average market price of SGB Shares, as quoted on Bursa Securities, immediately preceding the Date of Offer of the Option, with a discount of not more than 10%; or
- (ii) the par value of the SGB Shares of RM0.20 each; or
- (iii) in respect of any Offer of an Option which is made in conjunction with the Company's listing on the Main Market of Bursa Securities, the Subscription Price shall be the initial offer price to the Malaysian public,

and subject to adjustments in accordance with the By-Laws for the Proposed ESOS, where applicable.

The Subscription Price shall be stipulated in each Offer Letter and Option Certificate.

13. ESOS BY-LAWS (Cont'd)

9. NON-TRANSFERABILITY, TERMINATION OF OPTIONS AND SUSPENSION

- 9.1 In the event of the death or termination of employment of a Grantee with the SGB Group for whatsoever reason prior to the exercise of the Option or the balance thereof, as the case may be, such Option shall forthwith become void and cease to have further effect, without any claim against the Company. The SGB Shares in respect of such Option may be re-offered to other Eligible Directors or Eligible Employees at the discretion of the Option Committee, provided always where the employment of the Grantee with the SGB Group is terminated for reasons or in any circumstances which are acceptable to the Option Committee, he may, subject to the Option Committee at its discretion granting a written approval, exercise his unexercised portion of the Option within such period as may be specified by the Option Committee.
- 9.2 Except where the Option Committee decides otherwise in **By-Law 9.1**, the Option shall immediately become void and of no further effect upon the following circumstances:-
- (a) the bankruptcy of the Grantee; or
 - (b) a disciplinary action is taken on the Grantee pursuant to **By-Law 9.3**; or
 - (c) the termination of the employment of the Grantee by reason of ill-health, injury or disability; or
 - (d) retrenchment; or
 - (e) death of the Grantee; or
 - (f) any other circumstances as may be determined by the Option Committee.
- 9.3 In the event that a Grantee is subject to disciplinary proceedings (whether or not such disciplinary proceedings may give rise to a dismissal or termination of services of such Grantee), the Option Committee shall have the right, at its discretion, to suspend the rights of the Grantee to exercise the Grantee's Option(s) pending the outcome of such disciplinary proceedings. The Option Committee may impose such terms and conditions as the Option Committee shall deem appropriate having regard to the nature of the charges made or brought against such Grantee, provided always that:-
- (a) in the event such Grantee shall subsequently be found not guilty of the charge(s) which gave rise to such disciplinary proceedings, the Option Committee shall reinstate the rights of such Grantee to exercise the Grantee's Option(s) as if such disciplinary proceeding had not been instituted in the first place; or
 - (b) in the event such Grantee is found guilty of the charge(s) and the same results in the dismissal or termination of service of such Grantee, the Option shall immediately upon pronouncement of the dismissal or termination of service of such Grantee, automatically lapse without notice and thereafter shall be null and void and be of no effect notwithstanding that such recommendation may be subsequently challenged by the Grantee in any other forum; or
 - (c) in the event such Grantee is found guilty of the charge(s) but no dismissal or termination of service is recommended, the Option Committee shall have the right to determine at its sole and absolute discretion whether or not the Grantee may continue to exercise the Grantee's Option and, if so, to impose such terms and conditions as it deems appropriate, for the exercise thereof.
- 9.4 Any Options which has been offered by the Option Committee but have not been accepted in the manner prescribed in **By-Law 6** arising from the Grantee's cessation or termination of employment with the SGB Group for whatever reason shall become null and void and be of no effect.

13. ESOS BY-LAWS (Cont'd)

10. TAKE-OVER / RECONSTRUCTION

- (a) Notwithstanding **By-Law 7** and subject to the provisions of any applicable statutes, rules, regulations and/or conditions issued by the relevant regulatory authorities, in the event of:-
- (i) a take-over offer being made for the Company, under the Malaysian Code on Take-Overs and Mergers, 2010 (or any replacement thereof), to acquire the whole of the issued ordinary share capital of the Company (or such part thereof not at the time held by the person making the take-over ("**Offeror**") or any persons acting in concert with the Offeror), a Grantee will be entitled within such period to be determined by the Option Committee, to exercise all or any part of his Options and the Directors of the Company shall use their best endeavours to procure that such a take-over offer be extended to the new SGB Shares that may be issued pursuant to the exercise of the Options under these By-Laws; and
 - (ii) the Offeror becoming entitled or bound to exercise the right of compulsory acquisition of new SGB Shares under the provisions of any applicable statutes, rules and/or regulations and gives notice to the Company that it intends to exercise such right on a specific date ("**Specific Date**"), a Grantee who is holding outstanding exercisable Options will be entitled to exercise all or any part of his Options from the date of service of the said notice to the Company until and inclusive of the date on which the right of compulsory acquisition is exercised.

In the foregoing circumstances, if the Grantee fails to exercise his Options or elects to exercise only in respect of a portion of such Options, then any Options to the extent unexercised by the expiry of the periods stipulated in the aforesaid circumstances shall automatically lapse and be null and void.

- (b) In the event that the High Court sanctions a compromise or arrangement between the Company and its members for the purposes of, or in connection with, a scheme for reconstruction of the Company under Section 176 of the Act or its amalgamation with any other company or companies under Section 178 of the Act, any Option shall remain exercisable by the Grantee at any time and from time to time during the period commencing with the date upon which the compromise and arrangement is sanctioned by the Court and up to but excluding the date upon which such compromise or arrangement becomes effective. Upon the aforesaid compromise or arrangement becoming effective, all Options, to the extent unexercised, shall automatically lapse and be null and void.

11. RANKING OF NEW SGB SHARES

The new SGB Shares to be allotted and issued upon any exercise of the Options will upon allotment and issuance, rank *pari passu* in all respects with the then existing issued and paid-up SGB Shares, save and except that the holders of the new SGB Shares so allotted and issued shall not be entitled to any dividends, rights, allotments and/or any other distributions that may be declared, made or paid to the shareholders of SGB, the entitlement date (namely the date as at the close of business on which shareholders of the Company must be entered in the Record of Depositors maintained with Bursa Depository in order to be entitled to any dividends, rights, allotments and/or any other distributions that may be declared, made or paid to the shareholders of the Company) ("**Entitlement Date**") of which is prior to the date of allotment of the new SGB Shares and will be subject to all the provisions of the Articles relating to transfer, transmission or otherwise.

12. RETENTION/RESTRICTION PERIOD OF SGB SHARES

The SGB Shares allotted and issued to a Grantee pursuant to the exercise of an Option will not be subject to any retention period or restriction on transfer. However, Grantees are encouraged to hold the new SGB Shares as investments rather than for immediate realisation to yield profit.

13. ESOS BY-LAWS (Cont'd)**13. QUOTATION FOR THE NEW SGB SHARES**

The new SGB Shares (if any) to be allotted to the Grantee pursuant to the exercise of an Option will not be listed or quoted on Bursa Securities, until the Option is exercised in accordance with **By-Law 7** whereupon the Company shall, subject to it having obtained the prior written approval of Bursa Securities and/or other relevant authorities, and making applications to Bursa Securities for the quotation for such additional SGB Shares on Bursa Securities, use its best endeavour to obtain permission for dealing therein.

14. OBLIGATION OF COMPANY AS REGARD TO SHARE CAPITAL

The Company shall during the Duration of the Scheme keep available sufficient authorised and unissued SGB Shares in the share capital of the Company to satisfy all outstanding Options granted under the Scheme throughout the duration of the Scheme.

15. ALTERATION OF SHARE CAPITAL DURING THE OPTION PERIOD

15.1 In the event of any alteration in the capital structure of the Company during the Duration of the Scheme, whether by way of capitalisation of profits or reserves, rights issue, bonus issue, reduction, subdivision or consolidation of capital or any other variations of capital, the Board shall have the discretion and accordingly assess the practicality of complying with the requirement to cause such corresponding adjustment (if any) to be made to:-

- (i) the Subscription Price; and
- (ii) the number of Scheme Shares comprised in the Option or any portion thereof which have not been exercised; and/or
- (iii) the number of Scheme Shares and/or Subscription Price comprised in the Offer which is open for acceptance (if such Offer is subsequently accepted in accordance with the terms of the Offer and the Scheme),

and shall be adjusted in accordance with the following formulae:-

- (a) If and whenever a Share by reason of any consolidation or subdivision or conversion shall have a different par value, the Subscription Price shall be adjusted by multiplying it by the revised par value and dividing the result by the former par value and the number of Scheme Shares held by each Grantee shall be adjusted by multiplying the existing number of Scheme Shares held by the former par value and dividing the result by the revised par value.

Each such adjustment will be effective from the close of business on the Market Day immediately preceding the date on which the consolidation or subdivision or conversion becomes effective (being the date on which the SGB Shares are traded on Bursa Securities at the new par value) or such other date as may be prescribed by Bursa Securities.

- (b) If and whenever the Company shall make any issue of new Shares to ordinary shareholders credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature and including any share premium account and capital redemption reserve fund), the Subscription Price shall be adjusted by multiplying it by the following fraction:-

$$\frac{A}{A + B}$$

and the number of Scheme Shares held by each Grantee shall be adjusted by multiplying the existing number of Scheme Shares held by the following fraction:-

$$\frac{A + B}{A}$$

13. ESOS BY-LAWS (Cont'd)

where:-

- A = the aggregate number of issued and fully paid-up Shares immediately before such capitalisation issue; and
- B = the aggregate number of Shares to be issued pursuant to any allotment to ordinary shareholders credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature and including any share premium account and capital redemption reserve fund).

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day following the Entitlement Date (as defined in **By-Law 11**) for such issue.

(c) If and whenever Company shall make:-

- (i) a Capital Distribution (as defined below) to ordinary shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
- (ii) any offer or invitation to ordinary shareholders whereunder they may acquire or subscribe Shares by way of rights; or
- (iii) any offer or invitation to ordinary shareholders by way of rights whereunder they may acquire or subscribe for securities convertible into Shares or securities with rights to acquire or subscribe for Shares, then and in any such case, the Subscription Price shall be adjusted by multiplying it by the following fraction:-

$$\frac{C - D}{C}$$

and in respect of each such case referred to in **By-Law 15.1(c)(ii)** hereof, the number of Scheme Shares held by each Grantee shall be adjusted by multiplying the existing number of Scheme Shares by the following fraction:-

$$\frac{C}{C - D^*}$$

where:-

- C = the Current Market Price (as defined in **By-Law 15.1(h)**) of one (1) Share on the Market Day immediately preceding the date on which the Capital Distribution, or as the case may be, the offer or invitation is publicly announced to Bursa Securities or (failing any such announcement), immediately preceding the date of the Capital Distribution or, as the case may be, of the offer or invitation; and
- D = (aa) in the case of an offer or invitation to acquire or subscribe for Shares under **By-Law 15.1(c)(ii)** or for securities convertible into Shares or securities with rights to acquire or subscribe for Shares under **By-Law 15.1(c)(iii)**, the value of rights attributable to one (1) Share (as defined below); or
- (bb) in the case of any other transaction falling within **By-Law 15.1(c)**, the fair market value, as determined (with the concurrence of the external auditors of the Company and/or the adviser) of that portion of the Capital Distribution attributable to one (1) Share.

For the purpose of definition (aa) of D above, the "value of rights attributable to one (1) Share" shall be calculated in accordance with the formula:-

$$\frac{C - E}{F + 1}$$

13. ESOS BY-LAWS (Cont'd)

where:-

C = C in **By-Law 15.1(c)**;

E = the subscription price for one (1) additional Share under the terms of such offer or invitation or one (1) additional security convertible into Shares or one (1) additional security with rights to acquire or subscribe for Shares;

F = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) additional Share or security convertible into Shares or one (1) additional security with right to acquire or subscribe for Shares;

1 = one (1); and

D* = the "value of the rights attributable to one (1) Share" (as defined below).

For the purpose of D* above, the "value of the rights attributable to one (1) Share" shall be calculated in accordance with the formula:-

$$\frac{C - E^*}{F^* + 1}$$

where:-

C = C in **By-Law 15.1(c)**;

E* = the subscription consideration for one (1) new Share under the terms of such offer or invitation to acquire or subscribe for Shares;

F* = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) additional Share; and

1 = one (1).

For the purpose of **By-Law 15.1(c)**, "**Capital Distribution**" shall (without prejudice to the generality of that expression) include distributions in cash or specie or by way of issue of Shares (other than an issue falling within **By-Law 15.1(b)**) or other securities credited as fully or partly paid up by way of capitalisation of profits or reserves (whether of a capital or income nature and including any share premium account or capital redemption reserve fund).

Any dividend charged or provided for in the accounts of any period shall (whenever paid and howsoever described) be deemed to be a Capital Distribution unless it is paid out of the aggregate of the net profits attributable to the ordinary shareholders as shown in the audited consolidated profit and loss accounts of the Company.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day following the Entitlement Date for the above transaction.

- (d) If and whenever the Company makes an allotment to its ordinary shareholders as provided in **By-Law 15.1(b)** and also makes an offer or invitation to its ordinary shareholders as provided in **By-Law 15.1(c)(ii)** or **By-Law 15.1(c)(iii)** and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of offer or invitation, the Subscription Price shall be adjusted by multiplying it by the following fraction:-

$$\frac{(G \times C) + (H \times I)}{(G + H + J + B) \times C}$$

13. ESOS BY-LAWS (Cont'd)

and where the Company makes any allotment to its ordinary shareholders as provided in **By-Law 15.1(b)** and also makes any offer or invitation to its ordinary shareholders as provided by **By-Law 15.1(c)(ii)** and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the number of Scheme Shares held by each Grantee shall be adjusted by multiplying the existing number of Scheme Shares held by the following fraction:-

$$\frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)}$$

where:-

- G = the aggregate number of issued and fully paid-up Shares on the Entitlement Date;
- C = C in By-Law 15.1(c);
- H = the aggregate number of new Shares under an offer or invitation to acquire or subscribe for Shares by way of rights or under an offer or invitation by way of rights to acquire or subscribe for securities convertible into Shares or rights to acquire or subscribe for Shares, as the case may be;
- H* = the aggregate number of new Shares under an offer or invitation to acquire or subscribe for Shares by way of rights;
- I = the subscription price of one (1) additional Share under an offer or invitation to acquire or subscribe for Shares or the Subscription Price on conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional Share, as the case may be;
- I* = the subscription price of one (1) additional Share under an offer or invitation to acquire or subscribe for Shares; and
- B = B in By-Law 15.1(b).

Unless otherwise as may be prescribed by Bursa Securities, each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day following the Entitlement Date for the above transaction.

- (e) If and whenever the Company makes any offer or invitation to its ordinary shareholders to acquire or subscribe for Shares as provided in **By-Law 15.1(c)(ii)** together with an offer or invitation to acquire or subscribe for securities convertible into Shares or securities with rights to acquire or subscribe for Shares as provided in **By-Law 15.1(c)(iii)**, the Subscription Price shall be adjusted by multiplying it by the following fraction:-

$$\frac{(G \times C) + (H \times I) + (J \times K)}{(G + H + J) \times C}$$

and the number of Scheme Shares held by each Grantee shall be adjusted by multiplying the existing number of Scheme Shares held by the following fraction:-

$$\frac{(G + H^*) \times C}{(G \times C) + (H^* + I^*)}$$

where:-

- G = G in **By-Law 15.1(d)**;
- C = C in **By-Law 15.1(c)**;

13. ESOS BY-LAWS (Cont'd)

H = H in By-Law 15.1(d);

H* = H* in By-Law 15.1(d);

I = I in By-Law 15.1(d);

I* = I* in By-Law 15.1(d);

J = the aggregate number of Shares to be issued to its ordinary shareholders upon conversion of such securities or exercise of such rights to subscribe for Shares by the ordinary shareholders; and

K = the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional Share.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day following the Entitlement Date for the above transaction.

- (f) If and whenever the Company makes an allotment to its ordinary shareholders as provided in **By-Law 15.1(b)** and also makes an offer or invitation to acquire or subscribe for Shares to its ordinary shareholders as provided in **By-Law 15.1(c)(ii)** together with rights to acquire or subscribe for securities convertible into or with rights to acquire or subscribe for Shares as provided in **By-Law 15.1(c)(iii)** and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of offer or invitation, the Subscription Price shall be adjusted by multiplying it by the following fraction:-

$$\frac{(G \times C) + (H \times I) + (J \times K)}{(G + H + J + B) \times C}$$

and the number of Scheme Shares held by each Grantee shall be adjusted by multiplying the existing number of Scheme Shares held by the following fraction:-

$$\frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)}$$

where:-

G = G in By-Law 15.1(d);

C = C in By-Law 15.1(c);

H = H in By-Law 15.1(d);

H* = H* in By-Law 15.1(d);

I = I in By-Law 15.1(d);

I* = I* in By-Law 15.1(d);

J = J in By-Law 15.1(e);

K = K in By-Law 15.1(e); and

B = B in By-Law 15.1(b).

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day following the Entitlement Date for the above transaction.

13. ESOS BY-LAWS (Cont'd)

- (g) If and whenever (otherwise than pursuant to a rights issue available to all ordinary shareholders and requiring an adjustment under **By-Laws 15.1(c)(ii), 15.1(c)(iii), 15.1(d), 15.1(e) or 15.1(f)**), the Company shall issue either any Shares or any securities convertible into Shares or with rights to acquire or subscribe for Shares, and in any such case, the Total Effective Consideration per Share (as defined below) is less than ninety per cent (90%) of the Average Price for one (1) Share (as defined below) or, as the case may be, the price at which the Shares will be issued upon conversion of such securities or exercise of such rights is determined, the Subscription Price shall be adjusted by multiplying it by the following fraction:-

$$\frac{L + M}{L + N}$$

where:-

- L = the number of Shares in issue at the close of business on the Market Day immediately preceding the date on which the relevant adjustment becomes effective;
- M = the number of Shares which the Total Effective Consideration (as defined below) would have purchased at the Average Price (as defined below) (exclusive of expenses); and
- N = the aggregate number of Shares which so issued or in the case of securities convertible into Shares or with rights to acquire or subscribe for Shares, the maximum number (assuming no adjustment of such rights) of Shares issuable upon full conversion of such securities or the exercise in full of such rights.

For the purposes of **By-Law 15.1(g)**, the "**Total Effective Consideration**" shall be as determined by the Board with the concurrence of the external auditor and shall be:-

- (i) in the case of the issue of Shares, the aggregate consideration receivable by the Company on payment in full for such Shares; or
- (ii) in the case of the issue by the Company of securities wholly or partly convertible into Shares, the aggregate consideration receivable by the Company on payment in full for such securities or such part of the securities as is convertible together with the total amount receivable by the Company upon full conversion of such securities (if any); or
- (iii) in the case of the issue by the Company of securities with rights to acquire or subscribe for Shares, the aggregate consideration attributable to the issue of such rights together with the total amount receivable by the Company upon full exercise of such rights;

in each case without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the "**Total Effective Consideration per Share**" shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid or, in the case of securities convertible into Shares by the maximum number of Shares issuable on full conversion of such securities or on exercise in full of such rights.

For the purpose of **By-Law 15.1 (g)**, the "**Average Price**" of a Share shall be the average price of one (1) Share as derived from the last dealt prices for one (1) or more board lots of the Shares as quoted on the Bursa Securities on the Market Days comprised in the period used as a basis upon which the issue price of such Shares is determined.

Each such adjustment will be calculated (if appropriate, retroactively) from the close of business on Bursa Securities on the next Market Day following the date on which the issue is announced, or (failing any such announcement) on the next Market Day following the date on which the Company determines the offering price of such Shares.

13. ESOS BY-LAWS (Cont'd)

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day following the completion of the above transaction.

- (h) For the purpose of By-Laws 15.1(c), (d), (e) and (f), the "Current Market Price" in relation to one (1) Share for any relevant day shall be the average of the last dealt prices for the five (5) consecutive Market Days before such date or during such other period as may be determined in accordance with any guidelines issued, from time to time, by the Securities Commission and/or Bursa Securities.

15.2 All such adjustments referred to in these By-Laws (save for adjustments arising from a rights issue which would result in the total capital outlay to be incurred by the Grantee for the exercise of the Option to remain the same as that before the rights issue) should give the Grantee the same proportion of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company as that to which he was entitled prior to such alterations or adjustments.

15.3 Such adjustments must be confirmed in writing by the external auditors of the Company for the time being (acting as experts and not as arbitrators), upon reference to them by the Option Committee, to be in their opinion, fair and reasonable, provided always that:-

- (a) any premium given at all times should not be more than 10%;
- (b) any adjustment to the Subscription Price shall be rounded up to the nearest one (1) sen and no adjustment to the Subscription Price shall be made which would result in the Shares to be issued on the exercise of the Option being issued at a discount to the par value, and if such an adjustment would but for this provision have so resulted, the Subscription Price payable shall be the par value of the Shares;
- (c) in the event that a fraction of a new Share arising from the adjustment referred to in this By-Law would otherwise be required to be issued upon the exercise of an Option by the Grantee, the Grantee's entitlement shall be rounded down to the nearest whole number;
- (d) upon any adjustment being made pursuant to this By-Law, the Option Committee shall, within thirty (30) days of the effective date of the alteration in the capital structure of the Company, notify the Grantee (or his legal representatives where applicable) in writing informing him of the adjusted Subscription Price thereafter in effect and/or the revised number of new Shares thereafter to be issued on the exercise of the Option; and
- (e) any adjustments made must be in compliance with the provisions for adjustment as provided in these By-Laws.

Nevertheless, any adjustments to the Subscription Price and /or the number of new Shares comprised in the Option so far as unexercised arising from bonus issue, need not be confirmed in writing by the external auditors of the Company for the time being.

15.4 An adjustment made pursuant to these By-Laws shall be effective on the next Market Day immediately following the Entitlement Date for the event giving rise to the adjustment.

15.5 No adjustments shall be made to the Subscription Price and/or the number of Shares comprised in the Option or any portion thereof that is unexercised when the alterations in the capital structure of the Company arises from:-

- (a) an issue of new Shares in consideration or part consideration for an acquisition of any other securities, assets or business; or
- (b) a special issue of new Shares to Bumiputera investors nominated by the Ministry of International Trade and Industry, Malaysia and/or any other government authority to comply with the Government's policy on Bumiputera capital participation; or
- (c) a private placement or restricted issue of new Shares by the Company; or

13. ESOS BY-LAWS (Cont'd)

- (d) implementation of a share buy-back arrangement by the Company under Section 67A of the Act; or
- (e) any issue of warrants, convertible loan stocks or other instruments by the Company that gives a right of conversion into Shares, and any issue of new Shares arising from the exercise of any conversion rights attached to such convertible securities; or
- (f) an issue of new Shares upon the exercise of Options granted under the Scheme.

16. ADMINISTRATION OF THE SCHEME

The Scheme shall be administered by the Option Committee appointed by the Board. The Board shall have the discretion as it deems fit from time to time to approve, rescind and/or revoke the appointment of any person(s) in the Option Committee. The Option Committee shall be vested with such powers and duties as are conferred upon it by the Board. The Option Committee may for the purpose of administering the Scheme do all acts and things and enter into any transaction, agreement, deed, document or arrangement, make rules, regulations or impose terms and conditions or delegate part of its powers relating to the Scheme, which the Option Committee may in its discretion consider to be necessary or desirable to give full effect to the Scheme and generally exercise such powers and perform such acts as are deemed necessary or expedient to promote the best interest of the Company. The Option Committee shall comprise representative(s) from the Board and other persons appointed from time to time by the Board.

17. AMENDMENT AND/OR MODIFICATION TO THE SCHEME

- 17.1 Subject to **By-Law 17.2**, the Option Committee may at any time and from time to time recommend to the Board any addition and amendment to or deletion of these By-Laws as it shall in its discretion think fit and the Board shall have the power by resolution to add to, amend or delete all or any of these By-Laws upon such recommendation subject to the Company submitting a confirmation letter to Bursa Securities each time an amendment is made, that the said amendment is in compliance with the provisions of the Listing Requirements pertaining to employees' share option schemes and Depository Rules pursuant to Paragraph 2.12 of the Listing Requirements.
- 17.2 Subject to **By-Law 17.3**, the approval of the shareholders of the Company in general meeting shall not be required in respect of additions or amendments to or deletions of these By-Laws provided that no additions, amendments or deletions shall be made to these By-Laws which would:-
- (a) prejudice any rights which would have accrued to any Grantee without his prior consent; or
 - (b) increase the number of SGB Shares available under the Scheme beyond the maximum imposed by **By-Law 2.1**; or
 - (c) provide an advantage to any Grantee or group of Grantees or all Grantees, unless shareholders' approval is obtained at a general meeting.
- 17.3 For the purpose of complying with the provisions of the Listing Requirements, **By-Laws 2, 3, 4, 6, 7, 8, 11, 12, 15, 19.3** and this **By-Law 17** shall not be amended or altered in any way whatsoever for the advantage of Eligible Directors and/or Eligible Employees without the prior approval of shareholders obtained at a general meeting.

18. LIQUIDATION OF THE COMPANY

In the event that any order is made or resolution is passed for the winding-up or liquidation of the Company, all unexercised or partially exercised Options shall automatically lapse and shall be null and void and have no further effect from the effective date of the order or resolution, as the case may be, for such winding-up or liquidation of the Company.

13. ESOS BY-LAWS (Cont'd)

19. EFFECTIVE DATE AND DURATION OF THE SCHEME

19.1 The Effective Date for the implementation of the Scheme shall be the date of full compliance with all relevant requirements in the Listing Requirements including the following:-

- (a) submission of the final copy of the By-Laws to Bursa Securities together with a letter of compliance pursuant to Paragraph 2.12 of the Listing Requirements and a checklist showing compliance with Appendix 6E of the Listing Requirements;
- (b) receipt of approval-in-principle from Bursa Securities for the listing of and quotation for the new SGB Shares to be issued pursuant to the exercise of Options granted under the Scheme;
- (c) the approval of the shareholders of SGB for the ESOS being obtained;
- (d) receipt of the approval(s) of any other relevant authorities (where applicable); and
- (e) fulfilment or waiver (as the case may be) of all applicable conditions attached to the above approvals (if any).

19.2 The adviser of the Company shall submit a confirmation letter to Bursa Securities of full compliance with the relevant requirements of the Listing Requirements stating the effective date of implementation of the Scheme together with a certified true copy of a resolution passed by the shareholders of the Company in general meeting. The confirmation letter shall be submitted to Bursa Securities no later than five (5) Market Days after the Effective Date.

19.3 The Scheme shall be in force for a period of five (5) years from the Effective Date and may be extended for a further period of five (5) years, at the sole and absolute discretion of the Board upon the recommendation of the Option Committee, provided always that the initial Scheme period stipulated above and such extension of the Scheme made pursuant to these By-Laws shall not in aggregate exceed a duration of ten (10) years from the Effective Date. For the avoidance of doubt, no further sanction, approval or authorisation of the shareholders of the Company in a general meeting is required for any such extension.

20. COSTS AND EXPENSES OF THE SCHEME

Save as otherwise provided for in the Scheme and the Articles, all fees and costs incurred in relation to the Scheme including but not limited to the fees, costs and expenses relating to the issue and allotment of the new SGB Shares pursuant to the exercise of any Option, shall be borne by the Company save and except for any tax (including income tax), if any, arising from the Offer and/or exercise of any Options under the Scheme.

21. DISPUTES/DIFFERENCES

In case any dispute or difference shall arise between the Option Committee and an Eligible Director or Eligible Employee or Grantee, as the case may be, as to any matter of any nature arising under the Scheme, the Option Committee shall determine such dispute or difference by a written decision (without any obligation to give any reason thereof) given to the Eligible Director or Eligible Employee or Grantee, as the case may be, and the said decision shall be final and binding on the parties. Notwithstanding the foregoing, for matters concerning adjustments made pursuant to **By-Law 15** it shall be referred to external auditors of the Company. The external auditors shall act as experts and not as arbitrators whose decision shall be final and binding in all respects.

13. ESOS BY-LAWS (Cont'd)

22. DIVESTMENT FROM AND TRANSFER TO/FROM THE GROUP

22.1 If the Grantee who was in the employment of a company in the Group which was subsequently divested from the Group resulting in that company ceasing to be a subsidiary, unless approved by the Option Committee in writing, the Options unexercised on the date of such company ceasing to be a subsidiary, shall be null and void and be of no effect. Such Grantee shall not be eligible to participate for further Option(s) under the Scheme.

22.2 In the event that the Grantee is transferred from the Group to any associated companies of the Group (which definition shall be that which is adopted by the Malaysian Financial Reporting Standards) or to any related companies (as defined in Section 6 of the Act) of the Company which have an existing employees' share option scheme in which the Grantee will be entitled to participate, unless approved by the Option Committee in writing, the Options unexercised on the date of transfer shall be null and void and be of no effect.

22.3 In the event that:-

- (a) an employee who was employed in a company which is related to the Company pursuant to Section 6 of the Act (that is to say, a company which does not fall within the definition of "the Group") and is subsequently transferred from such company to any company within the Group; or
- (b) an employee who was in the employment of a company which subsequently becomes a member of the Group as a result of a restructuring or acquisition exercise or otherwise involving the Company and/or any company within the Group with any of the first mentioned company stated in (a) above;

(the first abovementioned company in (a) and (b) herein referred to as the "Previous Company"), such an employee of the Previous Company will be eligible to participate in the Scheme for its remaining Duration of the Scheme, if the affected employee becomes an Eligible Director or Eligible Employee within the meaning under these By-Laws.

For the avoidance of doubt, in the event of any acquisition or incorporation of any company into the Group pursuant to part (b) above as a subsidiary as defined in Section 5 of the Act or any other statutory regulation in place thereof during the Duration of the Scheme, the Scheme shall apply to the employees of such company on the date such company becomes a subsidiary of the Group (provided that such subsidiary is not dormant) falling within the meaning of the expression of "Eligible Director" or "Eligible Employee" under **By-Law 1** and the provisions of these By-Laws shall apply.

23. TERMINATION OF THE SCHEME

Subject to compliance with the requirements of Bursa Securities and any other relevant authorities and upon fulfilling the following conditions:-

- (a) obtain the consent of its shareholders at a general meeting, wherein at least a majority of the shareholders present should vote in favour of the termination; and
- (b) obtain written consent of all Grantees who have yet to exercise their Options, either in part or in whole,

the Company may terminate the this Scheme at any time and in such an event, no further Offers shall be made by the Option Committee from the date of passing of such ordinary resolution in a general meeting and all Offers outstanding but not yet accepted by the Eligible Director or Eligible Employee at the date of such resolution shall automatically lapse and cease to have effect as at the date of such resolution and the Options as yet to be exercised, in part or in whole, shall automatically lapse or cease to have any effect from the date of such resolution. The Scheme shall be deemed to be terminated on the date of such resolution.

13. ESOS BY-LAWS (Cont'd)

24. DISCLAIMER OF LIABILITY

Notwithstanding any provisions contained herein and subject to the Act, the Company, the Board and the Option Committee shall not under any circumstances and in any event be held liable to any person for any cost, charges, losses, expenses, damages or liabilities whatsoever arising, including but not limited to any delay on the part of the Company in allotting and issuing new SGB Shares or in procuring Bursa Securities to list the new SGB Shares subscribed for by a Grantee.

25. SCHEME NOT A TERM OF EMPLOYMENT

The Scheme does not form any part of or constitute or in any way be construed as a term and condition of employment of any Eligible Director or Eligible Employee. The Scheme shall not confer or be construed to confer on an Eligible Director or Eligible Employee any special rights or privileges over the Eligible Director's or Eligible Employee's terms and conditions of employment in the Group under which the Eligible Director or Eligible Employee is employed nor any rights additional to any compensation or damages that the Eligible Director or Eligible Employee may be normally entitled to arising from the cessation of such employment.

26. RIGHTS OF GRANTEES

- 26.1 The Options shall not carry any right to vote at any general meeting of the Company. The Grantee shall not in any event be entitled to any dividends, rights or other entitlement on his unexercised Options.
- 26.2 Subject to the Articles, all Grantees are entitled to inspect the latest audited financial statements of the Company during the normal business hours on any working day at the registered office of the Company.

27. ARTICLES OF ASSOCIATION OF THE COMPANY

Notwithstanding the terms and conditions contained herein, if a situation of conflict should arise between these By-Laws and the Articles, the provisions of the Articles shall at all times prevail.

28. SEVERABILITY

If any time any provision of these By-Laws is or becomes illegal, void or unenforceable in any respect, the same shall be ineffective to the extent of such illegality, voidness or unenforceability without invalidating the remainder thereof.

29. NOTICES

- 29.1 Any notice which under the Scheme is required to be given to or served upon the Option Committee by an Eligible Director and/or Eligible Employee or any correspondence to be made between Eligible Director and/or Eligible Employee and the Option Committee shall be given or served in writing and either delivered by hand or sent to the registered office of the Company by courier or by prepaid post.
- 29.2 Any notice which under the Scheme is required to be given to or served shall be in writing and either delivered by hand or sent to the Eligible Director and/or Eligible Employee or Grantee by courier or prepaid post addressed to the Eligible Director and/or Eligible Employee or Grantee at the place of employment or at the last address known by the Company as being his address. Any notice served by post as aforesaid shall be deemed to have been served on the third (3rd) day from the day the letter is posted.
- 29.3 Any notice served on the Company after the Company's official business hours shall be deemed to have been served on the next working day.

13. ESOS BY-LAWS (Cont'd)

30. GOVERNING LAW

The ESOS and these By-Laws and all Options granted hereunder shall be governed by and construed in accordance with the laws of Malaysia.

31. SUBSEQUENT ESOS

Subject to the approval of Bursa Securities and any other relevant authorities, the Company may establish a new employees' share option scheme after the expiry date of the Scheme if the Scheme is not extended or upon termination of the Scheme. Where the Scheme has been extended (in accordance with By-Law 19), a new Scheme may be established upon the expiry of the extended Scheme.

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14. VALUATION CERTIFICATE

(Prepared for inclusion in the Prospectus)



Our Ref: 30V110282

6th January 2012

The Board of Directors
Sentoria Group Berhad
No. 56 & 58, Jalan Dagang SB 4/2
Taman Sungai Besi Indah
43300 Seri Kembangan
Selangor Darul Ehsan

Dear Sirs,

VALUATION CERTIFICATE OF LOT NO. PT 355, PEKAN BARU SUNGAI BESI, DISTRICT OF PETALING, STATE OF SELANGOR DARUL EHSAN
[Address: No. 18, Jalan Dagang SB 4/1, Taman Sungai Besi Indah, 43300 Seri Kembangan, Selangor Darul Ehsan]

This Valuation Certificate has been prepared for inclusion in the Prospectus of Sentoria Group Berhad to be dated 31st January 2012 in relation to the proposed listing of Sentoria Group Berhad on the Main Market of Bursa Malaysia Securities Berhad ("Proposed Listing").

In accordance with the instructions from Sentoria Group Berhad, we have valued the subject property for Sentoria Group Berhad vide our valuation report dated 20th May 2011 for the purpose of submission to Securities Commission Malaysia for the Proposed Listing. The subject property was inspected and referenced on 31st March 2011.

We are pleased to certify that we have conducted the valuation on the legal interest of the subject property as at the material date of valuation on 31st March 2011.

The Valuation Report and Valuation Certificate have been prepared in compliance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisals and Estate Agents, Malaysia.

The basis of valuation for the purpose of the report and valuation is the Market Value as defined in the Malaysian Valuation Standards. Market Value as defined in STANDARD 1 – Market Value Basis of Valuation as "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

For the purpose of the listing, we have prepared this letter which summarises our report, dated 20th May 2011 and bears reference no. 30V110282, and outlines key factors which have been considered in arriving at our opinion of the Market Value. This letter does contain all the necessary data and supporting information included in our report. For further information in relation to those contained herein, reference should be made to the said report.

Brief description of the subject property is as attached overleaf.

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50250 Kuala Lumpur, Malaysia.
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Penang . Petaling Jaya . Seremban . Sungai Petani . Temerloh

Board Reg. No. VE(1)0065



14. VALUATION CERTIFICATE (Cont'd)

Our Ref: 30V110282

IDENTIFICATION OF PROPERTY

<i>Subject Property</i>	An intermediate unit of 4-storey shop-office
<i>Title No.</i>	HSD 185506
<i>Tenure</i>	99-year leasehold interest expiring on 28 May 2102
<i>Category of Land Use</i>	Building
<i>Provisional Land Area</i>	Approximately 164 sq. metres
<i>Express Condition</i>	"Bangunan Perniagaan"
<i>Registered Owner</i>	Sentoria Development Sdn Bhd [now known as Sentoria Group Berhad]
<i>Location of Property</i>	It is located in the commercial hub of Taman Sungai Besi Indah in Seri Kembangan, Selangor Darul Ehsan. It is located about 25 kilometres to the south of Kuala Lumpur city centre. Taman Sungai Besi Indah is accessible from Kuala Lumpur city via the Sungai Besi Highway (BESRAYA Highway), the Kajang Dispersal Highway (SILK Highway) and the Kuala Lumpur – Seremban Highway.

GENERAL DESCRIPTION

<i>Brief description of the subject property</i>	<p>The subject building is an intermediate unit of 4-storey shop-office.</p> <p>The building is basically constructed of reinforced concrete framework with plastered and painted brick walls supporting a pitched roof covered with metal decking roof sheets. The ceilings are generally of suspended fibre mineral boards and fair-faced concrete.</p> <p>The floor finishes are mainly carpeted at the office areas, ceramic tiles and cement rendered. Vertical access is via a reinforced concrete staircase.</p> <p>The subject property accommodates a shoptop on the ground and office spaces on the first, second and third floor.</p> <p>It has a main floor area of about 6,864 sq. feet and an ancillary floor area of about 176 sq. feet.</p> <p>The subject property is noted to be generally in a good decorative state of repair.</p>
<i>Occupancy Status (as at 31st March 2011)</i>	100% (The subject property is currently tenanted to three separate tenants).
<i>Planning Provision</i>	The subject property is designated for commercial use as noted in the title deed. The building has been issued with the Certificate of Fitness for Occupation dated 9 February 1999.
<i>Age of Building</i>	About 12 years

14. VALUATION CERTIFICATE (Cont'd)



Our Ref: 30V110282

MARKET VALUE**Date of Valuation** 31st March 2011**Method of Valuation** **Comparison Method**

This method entails critical analyses of recent evidence of values of comparable properties in the neighbourhood and making adjustments for differences.

We have identified and analysed transactions of 4-storey shop-offices in Seri Kembangan area. In particular, we have considered the following transactions:

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Property Type	A corner unit of 4-storey shop-office	Two intermediate units of 4-storey shop-office	A corner unit of 4-storey shop-office with lift	An intermediate unit of 4-storey shop-office with lift
Address	No. 48, Jalan Dagang SB 4/2, Taman Sungai Besi Indah, Seri Kembangan, Selangor Darul Ehsan	No. 12 & 12A, Jalan Dagang SB 4/1, Taman Sungai Besi Indah, Seri Kembangan, Selangor Darul Ehsan	No. 2, Jalan SP 2/2, Cheong Hin Commercial City, Seri Kembangan, Selangor Darul Ehsan	No. 19, Jalan SP 2/4, Cheong Hin Commercial City, Seri Kembangan, Selangor Darul Ehsan
Tenure	99-year leasehold interest expiring on 28 May 2102	99-year leasehold interest expiring on 28 May 2102	Freehold interest	Freehold interest
Land Area	3,089 sq. feet	3,530 sq. feet	2,336 sq. feet	1,540 sq. feet
Consideration	RM3,200,000/-	RM2,550,000/-	RM2,300,000/-	RM1,025,000/-
Date	8 September 2010	19 March 2010	22 February 2010	9 September 2009
Vendor	Yong Ah Pee	G-W Marketing Sdn Bhd	Lian Ping Holdings Sdn Bhd	Tee Kien Yap and one other
Purchaser	SQ Enterprise Sdn Bhd	Significant Technologies Sdn Bhd	Prima Resources Sdn Bhd	T & I Assets (M) Sdn Bhd
Source	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department
Adjustments for Building	Downward adjustment made for depreciation	Downward adjustment made for depreciation	Downward adjustment made for depreciation. The current cost for lift installation is deducted from the selling price	Downward adjustment made for depreciation. The current cost for lift installation is deducted from the selling price
Adjustments for Land	Downward adjustment made for corner allowance and location	No adjustment	Downward adjustment made for corner allowance and tenure	Upward adjustment on time factor Downward adjustment made on tenure.
Adjusted Land Value	RM577 psf	RM505 psf	RM507 psf	RM431 psf

14. VALUATION CERTIFICATE (Cont'd)

Our Ref: 30V110282

Adjustments are made to all comparables. However, Comparable 4 was not used as the transaction took place in 2009. Based on the adjustments mentioned above, we had noted that the adjusted land values of Comparables 1, 2 and 3 are ranging from RM505 psf to RM577 psf.

After reconciliation of values, we have adopted the average adjusted land value of Comparables 1, 2 and 3, i.e. RM530/- psf for the subject property. We considered Comparables 1, 2 and 3 are the best comparables in valuing the subject property as they are more recent transactions. The building rate for the main floor area is taken at RM70 per sq. foot and ancillary floor area at RM30 per sq foot being the average industry rates and depreciated accordingly.

Investment Method

This method entails the determination of the probable gross annual rental the property is capable of producing and deducting therefrom the outgoings to arrive at the annual net income. The annual net income is capitalised using a rate of interest to arrive at the capital value of the property.

Monthly Gross Rental

For the term and reversionary valuation, we have adopted the following rentals:

Level	Gross Rental			
	Term		Reversion	
	per month	psf	per month	psf
Ground Floor	RM3,300/-	RM1.87	RM3,300/-	RM1.87
First and Second Floor	RM3,000/-	RM0.85	RM3,000/-	RM0.85
Third Floor	RM1,000/-	RM0.57	RM1,000/-	RM0.57

From our investigation, the average asking rentals per month for ground floor shops and office spaces located in shop-offices in Seri Kembangan are as follows:

Level	Average Rental per month
Ground Floor	RM1.87 to RM2.86 per sq. foot
Upper Floors	RM0.57 to RM0.75 per sq. foot

For the reversionary term, the same rental rates were adopted as per the current term as they are in line with the current asking rentals.

Average Monthly Outgoings

The outgoings for the year 2008 - 2010 is RM8,302/- per annum. We have adopted the said outgoings for both current and reversionary term.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref: 30V110282

Void

Since the subject property enjoys 100% occupancy rate, we have adopted a void allowance of 10% to reflect possible future vacancies, rent free periods and the possibility of bad debts.

Capitalisation Rates

We have adopted capitalisation rates of 5.5% and 6.0% for the term and reversionary period, respectively in our valuation.

The said capitalisation rates were based on transaction of Comparable 2 which was sold at RM2,550,000/- for two units, which translates into RM1,275,000/- per unit. Using a monthly rental of the subject property as a comparison, i.e. RM7,300/-, the gross yield is analysed at about 6.8%. In arriving at the net yield, we have deducted 10% for both outgoing and void from the gross rental, thus, the net yield is calculated at about 5.5%. We have adopted a net yield of 6.0% for the reversionary yield to reflect the inherent risk as the future is uncertain.

Valuation Rationale

Comparison Method : RM1,300,000/-
Investment Method : RM1,200,000/-

Opinion of Market Value

Taking into the above consideration, we have adopted the value of RM1,200,000/- based on the Investment Method as the market value of the subject property as the subject property is currently let out as an investment property.

We are of the opinion that the Market Value of the subject property as at 31st March 2011, in its existing condition, free from all encumbrances, held under leasehold interest, with the title being good, marketable and registrable and subject to the existing tenancies, is **RM1,200,000/- (Ringgit Malaysia: One Million Two Hundred Thousand Only).**

Yours faithfully,
RAHIM & CO CHARTERED SURVEYORS SDN BHD

CHEE KOK THIM, FISM MRICS MPEPS
Chartered Valuation Surveyor
Registered Valuer (V-325)

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(b)

6th January 2012

The Board of Directors
Sentoria Group Berhad
No. 56 & 58, Jalan Dagang SB 4/2
Taman Sg Besi Indah
43300 Seri Kembangan
Selangor Darul Ehsan

Dear Sirs,

VALUATION CERTIFICATE OF

- 1) A BUDGET HOTEL (SEMPURNA RESORT) LOCATED ON PART OF PT 91738, MUKIM OF KUALA KUANTAN;**
 - 2) AN ON-GOING MIXED DEVELOPMENT PROJECT (BLOCK E) LOCATED ON PART OF PT 91738, MUKIM OF KUALA KUANTAN AND LOT 6327, MUKIM OF PENOR; AND**
 - 3) AN ON-GOING COMMERCIAL DEVELOPMENT PROJECT (PART OF BLOCK F) LOCATED ON PART OF PT 91740, MUKIM OF KUALA KUANTAN;**
- ALL IN DISTRICT OF KUANTAN, STATE OF PAHANG DARUL MAKMUR**

[Locality : Within Taman Indera Sempurna 2, Off Jalan Kuantan-Pekan, Kuantan, Pahang Darul Makmur]

This Valuation Certificate has been prepared for inclusion in the Prospectus of Sentoria Group Berhad to be dated 31st January 2012 in relation to the proposed listing of Sentoria Group Berhad on the Main Market of Bursa Malaysia Securities Berhad ("Proposed Listing").

In accordance with the instructions from Sentoria Group Berhad, we have valued the subject property for Sentoria Group Berhad vide our valuation report dated 20th May 2011 for the **purpose of submission to the Securities Commission Malaysia for the Proposed Listing**. The subject properties were inspected on 4th April 2011 and referenced on 31st March 2011.

We are pleased to certify that we have conducted the valuation on the legal interest of the subject properties as at the material date of valuation on 31st March 2011.

The Valuation Report and Valuation Certificate have been prepared in compliance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia.

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14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 90V110118(b)

The basis of valuation for the purpose of the report and valuation is the Market Value as defined in the Malaysian Valuation Standards. Market Value as defined in STANDARD 1 – Market Value Basis of Valuation as “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

For the purpose of the listing, we have prepared this letter which summarises our report, dated 20th May 2011 and bears reference no. 90V110118(b), and outlines key factors which have been considered in arriving at our opinion of the Market Value. This letter does contain all the necessary data and supporting information included in our report. For further information in relation to those contained herein, reference should be made to the said report.

Brief description of the subject properties is as follows :-

IDENTIFICATION OF PROPERTY

Subject Properties	i) A budget hotel known as Sempurna Resort ii) An on-going mixed development project (Block E) iii) An on-going commercial development project (Part of Block F)
Master Title Nos.	HSD 28413, PN 11637 and HSD 28416, respectively
Tenure	99-year leasehold interest expiring on :- PT 91738 : 11 th September 2106 Lot 6327 : 23 rd September 2106 PT 91740 : 12 th August 2107
Category of Land Use	Building
Land Area	PT 91738 : 18.2265 hectares Lot 6327 : 0.6426 hectare PT 91740 : 5.9585 hectares
Express Condition	“Tanah ini hendaklah digunakan untuk Bangunan Kediaman/Bangunan Perniagaan/Industri sahaja”
Registered Owner	H.A. Properties Sdn. Bhd. *notes 1 & 2
Location of Property	Within Taman Indera Sempurna 2, Jalan Kuantan-Pekan, Kuantan, Pahang Darul Makmur

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(b)

***note 1**

In this valuation, the interest to be valued is the Developer's interest as specified in the Joint Venture Agreement referenced AHP/C/1259/SHSB&HAP/JV/2005/ka0 dated 27th May 2005 and its supplementary agreement referenced ZP(K)/C/010/SHSB(H.A.P)/S.A/2006/KAO-atie) dated 11th August 2006 entered between H.A. Properties Sdn Bhd (Landowner) and Sentoria Harta Sdn Bhd (Developer) to jointly develop all the piece of land measuring about 246 acres in KM 13 & 14, Jalan Kuantan-Pekan, Mukim of Kuala Kuantan and Mukim of Penor, District of Kuantan, Pahang Darul Makmur ("Land").

The subject properties being valued form a small part of the said Land, with a combined land area of about 17.3499 hectares (about 42.8715 acres).

The Developer has paid the Landowner's entitlement up to the period ending year 2011.

***note 2**

Vide Sale and Purchase Agreement between Sentoria Harta Sdn Bhd (the Vendor), Sentoria Themeparks and Resorts Sdn Bhd (the Purchaser) and H.A Properties Sdn Bhd (the Proprietor) dated 10th October 2010, the beneficial owner of Sempurna Resort is Sentoria Themeparks and Resorts Sdn Bhd.

GENERAL DESCRIPTION

Brief description of the subject properties

A budget hotel (Sempurna Resort)

The subject property is a 108-room budget hotel and it consists of 3 blocks of 3-storey buildings.

Structurally, the buildings are constructed of reinforced concrete framework with plastered brickwalls/glass walls partition with aluminium frame.

The total gross floor area of the hotel is 63,516.10 sq. feet.

A part of the ground floor is tenanted to Imperia Academy of Tourism Sdn Bhd. The tenancy is for a term of 1 year commencing from 01/10/2010 and terminating on 30/09/2011, with an option to renew at RM5,000 per month.

An on-going mixed development project (Block E)

Block E is an on-going mixed development project on two contiguous lots identified as part of PT 91738 and Lot 6327. Site preparation and earthworks have been done to accommodate the proposed development at platform level.

Based on the approved layout plan, the development composition is as follows :-

No. of Units	Type
50	Seri Sempurna – Single-storey semi-detached house
92	Seri Harmoni A – Single-storey semi-detached house
4	Seri Harmoni B – Single-storey semi-detached house
4	Seri Harmoni C – Single-storey semi-detached house
124	Seri Sentosa A – Single-storey semi-detached house
4	Seri Sentosa B – Single-storey semi-detached house
9	Seri Carcosa – Single-storey bungalow

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 90V110118(b)

The typical land area size for single-storey semi-detached house is about 2,800 sq. feet and maximum is about 4,500 sq. feet, whilst for single-storey bungalow, the typical land area is about 5,500 sq. feet and maximum is about 7,050 sq. feet.

The buildings will be constructed of reinforced concrete framework.

The gross floor areas for the proposed buildings range 1,391 sq. feet to 1,642 sq. feet for single-storey semi-detached house and for single-storey detached house is about 2,305 sq. feet.

An an-going commercial development project (Part of Block F)

The subject property is an on-going commercial development project comprises 34 units double-storey shop-office on part of PT 91740. Site preparation and earthworks have been done to accommodate the proposed development at platform level.

Based on the approved layout plan, the development composition is 34 units double-storey shop-office. The properties being developed have a typical land area of 1,540 sq. feet.

The buildings will be constructed of reinforced concrete framework.

The gross floor area of the typical double-storey shop office is 3,080 sq. feet.

Planning Provision

The subject properties are designated for building use (residential / commercial / industry) as noted in the copy of the computer printout of the title documents.

PT 91738 & Lot 6327

PT 91738 and Lot 6327 have been approved for mixed development project as noted in the approval letter from Majlis Perbandaran Kuantan referenced Bil. (38) Dlm MPK/R/A:PT/1-16/2005/ZU 18-TK Jld 4 dated 06th September 2010 with registrar approval plan No. MPK/ZU 18/10/100/0107.

Part of PT 91738 has been approved for Club House "Sempurna Resort". The layout and building plans of Sempurna Resort have been approved by the Majlis Perbandaran Kuantan referenced (16) dlm. MPK/B:PB/121/2008-I dated 25th November 2008.

The building plans for Block E houses have been approved by the Majlis Perbandaran Kuantan referenced (14) dlm. MPK/B:PB/151/2010-H dated 11th October 2010.

PT 91740

PT 91740 has been approved for commercial development project as noted in the approval letter from Majlis Perbandaran Kuantan referenced Bil. (26) Dlm MPK/R/A:PT/1-16/2005/ZU19 Jld. 5 dated 3rd September 2010 with registrar approval plan No. MPK/ZU 18/10/100/0071 (A). The building plans for Block F buildings have been approved by the Majlis Perbandaran Kuantan referenced (16) dlm. MPK/B:PB/79/2010-I dated 20th August 2010.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(b)

MARKET VALUE

Date of Valuation 31st March 2011

Methods of Valuation **A Budget Hotel (Sempurna Resort)**
Cost Method and Comparison Method

Cost Method

The Cost Method (also known as Contractor's Method) entails critical analyses of evidence of value of vacant commercial site in the neighbourhood and making adjustment for differences.

The building is valued using the Replacement Cost Method. This method involves the valuation by adopting the current replacement cost arrived at by determining the construction cost, financing charges, advertising charges, professional fees, other incidental expenses and developer's profit in building the structures and to less depreciation.

The construction cost of the hotel comprises the following items :-

- Preliminaries
- Site clearing and earthwork
- Infrastructure
- Buildings

Construction of the hotel commenced in 2008. The contractor is Sentoria Harta Sdn Bhd, a subsidiary of the Client. The building construction was completed and certified fit for occupation on 28th October 2009.

The construction cost as provided by the Client is RM7,500,000/-. The cost is analysed at RM118.08 per sq. foot. The building works including M&E and fitting out is RM4,800,000/- or RM75.57 per sq. foot.

In assessing the construction cost of the subject building, we have also been guided by Construction Cost Handbook Malaysia 2011 issued by Davis Langdon & Seah (Malaysia) Sdn Bhd in collaboration with Juru Ukur Bahan Malaysia & JUBM Sdn Bhd. The construction cost as per the said handbook for 3-star budget hotel in Kuala Lumpur with a basement carpark range between RM409 to RM467 per sq. foot whereas for resort hotel in Kuala Lumpur with a basement carpark is between RM361 to RM403 per sq. foot.

The construction of the hotel is low compared to the market standard. However, the subject building is only 3-storey and is without basement and is built by the owner's related construction team. We adopted the construction cost and added to it the professional fees of 4%.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(b)

Based on the market, similar buildings have an average lifespan of 50 to 60 years. The maintenance and upgrading works are also high, compared to other commercial properties. Hence, we adopted a depreciation rate of 5% from completion of the hotel.

The land is analysed from sales of commercial lands within Block F of the Taman Indera Sempurna 2 as well as those located in other parts in Kuantan, to arrive at land value of RM17.00 per sq. foot.

Comparison Method

This method entails critical analyses of recent evidence of values of comparable properties in the neighbourhood and making adjustments for differences.

The comparables adopted with the analysis of each comparable are shown below :-

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Property Type	Pacific Hotel (now known as Green Leaf Hotel)	MS Garden Hotel	Cherating Holiday Villa	Oriental Evergreen (now known as De Spring Hotel)
Lot No.	Lot 10801/GM 3966, Lot 10802/GM 3965 and Lot 10803/GM 3964, Mukim of Kuala Kuantan	Lot 5 Section 20 and 10 Section 20, Town of Kuantan	PT 1300/HSM 1096, Lot 1305/GM405, Lot 1303/GM857, Lot 1302/GM424 and Lot 1301/GM1126, Mukim of Sungai Karang	PT 29/HSD 6872 and PT 29A/HSD 6873, Mukim of Kuala Kuantan
Locality	Kuantan Town	Off Jalan Beserah	Off Jalan Kuantan-Kemaman	Kuantan Town
Tenure	Freehold	Freehold	Freehold	Freehold
Land Area	Approximately 537.52 sq. metres (about 5,786 sq. feet)	Approximately 13,990 sq. metres (about 150,587 sq. feet)	Approximately 50,610 sq. metres (about 544,761 sq. feet)	Approximately 285.02 sq. metres (about 3,068 sq. feet)
Consideration	RM6,000,000/-	RM51,000,000/-	RM21,872,000/-	RM2,000,000/-
Date of Transaction	2 nd April 2007	16 th April 2009	20 th February 2006	28 th October 2010
Transferor	Kuantan Land Sdn. Bhd.	FDN Sdn. Bhd.	Cherating Holiday Villa Berhad	Lim Chye Seng and another
Transferee	Greenlast Hotel Sdn. Bhd.	Danaharta Hartanah Sdn. Bhd.	Amanah Raya Berhad	Tan Ling Seng and another
Source	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department
Analysis	RM100,000 per room	RM252,475 per room	RM163,224 per room	RM50,000 per room
Adjustments	Downward adjustment made on location and tenure Upward adjustment on time, prestige, facilities and building age	Downward adjustment made on location, prestige, facilities, star rating and tenure Upward adjustment on time and building age	Downward adjustment made on location, prestige, facilities, star rating and tenure Upward adjustment on time and building age	Downward adjustment made on location and tenure Upward adjustment on time, prestige, facilities and building age
Adjusted Value	RM134,400 per room	RM111,089 per room	RM93,854 per room	RM63,000 per room

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(b)

Valuation Rationale

Based on the adjustments mentioned above to arrive at the Market Value, we have noted that the adjusted values of comparables ranging from RM63,000/- per room to RM134,400/- per room.

We have reconciled the adjusted value of the best comparables ie Comparable 1 and Comparable 4 and arrived at the average adjusted value of RM98,700 per room. In this valuation exercise, we have adopted the round off average adjusted value of Comparable 1 and Comparable 4 at RM95,000/- per room as the market value for Budget Hotel 'Sempurna Resort'.

We are in the opinion that the market value adopted, i.e. RM95,000/- per room is justifiable for the subject property as a budget hotel. The said market value is fair when compared with the market values of the comparables that range from RM63,000/-to RM134,400/- per room and these depend heavily on the location, time, facilities/services, tenure, building age, prestige (design and finishes) and star rating.

Reconciliation of Values

Cost Method – RM11,100,000/-
Comparison Method – RM10,200,000/-

We have adopted the value arrived at using the Comparison Method of RM10,200,000/- as the market value of the Subject Property.

An on-going Mixed Development Project (Block E)**Method of Valuation****Residual Method**

Only one method is used for the on-going projects. Due to the on-going nature of these properties, other method is unable to address the timing of cashflow of the amount billed for units sold and amount claimed for works certified done, accurately, resulting in an inaccurate value.

The Residual Method entails estimating the gross realization value of the development scheme on completion. Next the remaining cost incurred in the development, finance cost and the developer's profit and risk must be estimated and deducted from the foregoing gross realization value. The residual value arrived at represents the value of the land together with the value of any works completed on the land. In order to obtain the value of the land and the works done in its present state, the residual value so obtained must be deferred for the appropriate period at a suitable discount factor.

Gross Development Value (GDV)

The developer's selling prices of single-storey semi-detached houses range from RM198,800/- to RM298,500/- per unit and single-storey bungalows range from RM398,800/- to RM465,000/-. Only types Seri Sentosa A, Seri Sentosa B and Seri Carcosa have been launched, in October 2010.



Our Ref : 90V110118(b)

The gross development value is the estimated sales revenue of the project. In this case, after deducting the amount billed for sold units, the GDV is RM67,442,211.

Gross Development Cost (GDC)

a) Pre-development cost

The pre-development costs includes planning, surveyor and consultancy fees, soil investigation, planning fees and building submission fees, road contribution and Jabatan Bekalan Air contribution as well as Landowner's entitlement specified in the joint venture agreement. Sewerage capital contribution is exempted for this project as the developer has its own sewerage plant for the whole project, which has been completed. The Landowner's entitlement is calculated based on the remaining 5 years (maximum) and prorated according to the land area. Hence the amount allocated for Block E is 97% of RM150,000/-, say RM145,000/-.

b) Cost of construction

The contracted building cost for this project is RM29,292,000/-. The contracted cost is analysed at RM70/- per sq. foot for 278 units of semi-detached and 9 units of detached houses in Kuantan, is considered reasonable, hence we adopted the contracted cost.

The contracted infrastructure cost for this project is RM575,000.00. The contracted cost which is analysed at RM0.32 per sq. foot is low. We have adopted a market rate of RM0.80 per sq. foot, which amounts to RM1,450,000/- for the project.

c) Professional fee

We have adopted of 6% of the earthwork, infrastructure cost and construction cost as the professional fee which is based on and within the industry practice.

d) Marketing, Advertising, Legal and Agencies Fees

We have adopted 3% of the gross development value as the marketing, advertising, legal and agencies fees as per current industry practice.

e) Administration and Management Fees

We have adopted a rate of 3% of the earthwork, infrastructure cost and construction cost for administration and management fees as per current industry practice.

f) Contingencies

We have adopted a rate of 5% of earthworks, construction cost, infrastructure cost, cost, landscaping, administration and management fee, professional fees and marketing, advertising, legal and agencies fees, as contingencies, as per current industry practice.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(b)

g) Finance cost

A finance cost of 9% per annum is adopted for half of the earthworks, infrastructure cost, construction cost, landscaping, administration and management fee, professional fees and marketing, advertising, legal and agencies fee for half of the total development period. The financing cost is the prevailing lending rate charged by financial institutions for project bridging finance.

h) Developer's Profit

Developer's profit is the reward for initiating and facilitating the development and is dependent upon the size, length and type of development, the degree of competition for the site and whether it is pre-let or sold before construction is complete. We have adopted 18% of gross development value for developer's profit based on current industry which ranges from 12% - 20%.

Development period

Block E is launched and developed in 2 phases with a total 287 units. The first phase comprising 137 units is 72% sold within 5 months. Based on the take-up rate of Phase 1 and at the time of inspection, earthwork and infrastructure work are being carried out on the subject site, we are of the opinion that the development period of 3 years, which includes 6 months of planning, 24 months for construction and 6 months for issuance of Certificate of Completion and Compliance, is sufficient.

Amount claimed by Consultants/Contractors and Amount Billed from Sold Units

As at the date of valuation i.e. 31st March 2011, we were informed by our client that 99 out of 287 units have been sold. Of the sold units, an amount of RM1,885,680/- has been billed. Amount claimed for work done is RM3,503,220/-.

Discount Rate

The discount rate of 9% per annum adopted is based on the bridging loan interest applied by the commercial banks in Malaysia.

Valuation Rationale

As this is an on-going project, in arriving at the market value of the subject property we have also taken into account the following:-

- i. the amount claimed by the contractors/consultants for the construction of the building and infrastructure cost; and
- ii. the amount billed for the sold house units, as described under the Residual Method of valuation.

Based on the above, the market value of the subject property, which is an on-going project, on 'as is' basis, work out to be RM14,000,000/-.

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 90V110118(b)

An on-going Mixed Development Project (Block F)**Method of Valuation****Residual Method**

Only one method is used for the on-going projects. Due to the on-going nature of these properties, other method is unable to address the timing of cashflow of the amount billed for units sold and amount claimed for works certified done, accurately, resulting in an inaccurate value.

Gross Development Value (GDV)

The developer's selling prices of double-storey shop-offices range from RM359,860/- to RM438,800/- per unit. The project was launched in September 2010. The gross development value is the estimated sales revenue of the project. In this case, after deducting the amount billed for sold units, the GDV is RM9,652,672/-.

Gross Development Cost (GDC)**a) Pre-development cost**

The pre-development costs includes planning, surveyor and consultancy fees, soil investigation, planning fees and building submission fees, road contribution and Jabatan Bekalan Air contribution as well as Landowner's entitlement specified in the joint venture agreement. Sewerage capital contribution is exempted for this project as the developer has its own sewerage plant for the whole project, which has been completed. The Landowner's entitlement is calculated based on the remaining 5 years (maximum) and prorated according to the land area. Hence the amount allocated for part of Block E is 3% of RM150,000/-, say RM5,000/-.

b) Cost of construction

The contracted building cost for this project amount to RM5,599,800/-. The contracted cost is analysed at RM53.00 per sq. foot for 34 units of double-storey shop-offices in Kuantan, is considered reasonable, hence we adopted the contracted cost.

The contracted infrastructure cost for this project is RM550,200/-. The contracted cost is analysed at RM10.50 per sq. foot or RM16,000/- per unit. The analysed cost per unit is considered reasonable, hence we adopted the contracted cost.

c) Professional fee

We have adopted industry standard of 6% of the earthwork, infrastructure cost and construction cost as the professional fee which is based on and within the industry practice.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(b)

d) Marketing, Advertising, Legal and Agencies Fees

We have adopted 3% of the gross development value as the marketing, advertising, legal and agencies fees as per current industry practice.

e) Administration and Management Fees

We have adopted industry standard of 3% of the earthwork, infrastructure cost and construction cost for administration and management fees.

f) Contingencies

We have adopted a rate of 5% of earthworks, construction cost, infrastructure cost, cost, landscaping, administration and management fee, professional fees and marketing, advertising, legal and agencies fees, as contingencies.

g) Finance cost

A finance cost of 9% per annum is adopted for half of the earthworks, infrastructure cost, construction cost, landscaping, administration and management fee, professional fees and marketing, advertising, legal and agencies fee for half of the total development period. The financing cost is the prevailing lending rate charged by financial institutions for project bridging finance.

h) Developer's Profit

Developer's profit is the reward for initiating and facilitating the development and is dependent upon the size, length and type of development, the degree of competition for the site and whether it is pre-let or sold before construction is complete. We have adopted 20% of gross development value for developer's profit based on current industry which is ranges from 12% - 20%.

Development period

Block F is launched and developed in 1 phase with a total 34 units. To-date 31 units or 91% sold within six (6) months since its launch in September 2010. Based on the take-up rate and the present stage of construction, we are of the opinion that the development period for of 2 years, which includes 18 months for construction and 6 months for issuance of Certificate of Completion and Compliance, is sufficient.

Amount claimed by Consultants/Contractors and Amount Billed from Sold Units

As at the date of valuation i.e. 31st March 2011, we were informed by our client that 31 out of 34 units have been sold. Of the sold units, an amount of RM3,976,848/- has been billed. The amount claimed for work done is RM3,486,414.50

Discount Rate

The discount rate of 9% per annum adopted is based on the bridging loan interest applied by the commercial banks in Malaysia.

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 90V110118(b)

Valuation Rationale

As this is an on-going project, in arriving at the market value of the subject property we have also taken into account the following:-

- i. the amount claimed by the contractors/consultants for the construction of the building and infrastructure cost; and
- ii. the amount billed for the sold house units, as described under the Residual Method of valuation.

Based on the above, the market value of the subject property, which is an on-going project, on 'as is' basis, work out to be RM3,500,000/-.

We are of the opinion that the Market Value of the subject properties as at 31st March 2011, free from all encumbrances, with the individual titles upon issuance to be good, marketable and registrable and held under 99-year leasehold term having unexpired term as per parent lots, free from all encumbrances, good, marketable and registrable as well as with vacant possession are as follows :-

No.	Description	Market Value
1)	A budget hotel (Sempurna Resort), located on part of PT 91738, Mukim of Kuala Kuantan, District of Kuantan, State of Pahang Darul Makmur	RM10,200,000/-
2)	An on-going mixed development project (Block E), located on part of PT 91738, Mukim of Kuala Kuantan & Lot 6327, Mukim of Penor; both in District of Kuantan, State of Pahang Darul Makmur	RM14,000,000/-
3)	An on-going commercial development project (part of Block F), located on PT 91740, Mukim of Kuala Kuantan, District of Kuantan, State of Pahang Darul Makmur	RM3,500,000/-
	MARKET VALUE	RM27,700,000/-

(Ringgit Malaysia : Twenty Seven Million and Seven Hundred Thousand Only).

Yours faithfully,
RAHIM & CO (PAHANG) SDN BHD


HAIRUNIZA MAHMUD, MISM
 Executive Director
 Registered Valuer (V 537)

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 68V110157

6th January 2012

**The Board Of Directors
Sentoria Group Berhad**
No. 56 & 58, Jalan Dagang SB 4/2
Taman Sg Besi Indah
43300 Seri Kembangan
Selangor Darul Ehsan

Dear Sirs,

**VALUATION CERTIFICATE OF LOT NO. 2310 (FORMERLY KNOWN AS P.T. 578),
MUKIM OF KUNDOR, DISTRICT OF REMBAU, STATE OF NEGERI SEMBILAN
DARUL KHUSUS**
[Locality : Within Dusun Sri Salam, off Jalan Pedas-Linggi, Rembau, Negeri Sembilan Darul Khusus]

This Valuation Certificate has been prepared for inclusion in the Prospectus of Sentoria Group Berhad to be dated 31st January 2012 in relation to the proposed listing of **Sentoria Group Berhad** on the Main Market of Bursa Malaysia Securities Berhad ("Proposed Listing").

In accordance with the instructions from **Sentoria Group Berhad**, we have valued the subject property for **Sentoria Group Berhad** vide our valuation report dated 20th May 2011 for the purpose of submission to **Securities Commission Malaysia** for the **Proposed Listing**. The subject property was inspected and referenced on 14th April 2011.

We are pleased to certify that we have conducted the valuation on the legal interest of the subject property as at the material date of valuation on 31st March 2011.

The Valuation Report and Valuation Certificate have been prepared in compliance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisals and Estate Agents, Malaysia.

The basis of valuation for the purpose of the report and valuation is the Market Value as defined in the Malaysian Valuation Standards. Market Value as defined in STANDARD 1 – Market Value Basis of Valuation as "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

For the purpose of the listing, we have prepared this letter which summarises our report, dated 20th May 2011 and bears reference no. 68V110157, and outlines key factors which have been considered in arriving at our opinion of the Market Value. This letter does contain all the necessary data and supporting information included in our report. For further information in relation to those contained herein, reference should be made to the said report.

Brief description of the subject property is as attached overleaf.

An International Associate of



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Africa - Botswana - Morocco - Oman - South Africa - Swaziland - Zambia

Rahim & Co Chartered Surveyors
(NS) Sdn. Bhd. (126427-X)

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Malacca - Penang - Petaling Jaya - Seremban - Sungai Petani - Temerloh

Board Reg. No. VE(1)0065/3

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 68V110157

IDENTIFICATION OF PROPERTY

Subject Property	A plot of agricultural land
Title No.	GRN 138226 (formerly known as H.S.(D) 3451)
Tenure	Freehold
Category of Land Use	Agriculture
Surveyed Land Area	0.4047 hectare
Express Condition	"Tanah ini hendaklah untuk pertanian sahaja"
Registered Owner	Sentoria Bina Sdn Bhd
Location of Property	The subject property is located about 16 kilometres due south-west of the Rembau town centre

GENERAL DESCRIPTION

Brief description of the subject property It is an intermediate plot and is rectangular in shape and encompasses a surveyed land area of approximately 0.4047 hectare. It has dual frontages onto the eastern side of a metalled service road and the western side of another metalled service road.

The subject property is undulating in terrain generally ascending gently from its eastern boundary towards the western boundary. The site boundaries are not demarcated with any fencing. At the time of inspection, we noted that the land is overgrown with wild trees and bushes.

Planning Provision The subject property is for agriculture use as stated in the title deed.

Our verbal enquiries made at the Jabatan Perancangan Bandar Dan Desa in Seremban revealed that the subject property is located within an area zoned for agricultural use.

MARKET VALUE

Date of Valuation 31st March 2011

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 68V110157

Method of Valuation**Comparison Method**

This method entails critical analyses of recent evidence of values of comparable properties in the neighbourhood and making adjustments for differences.

We are unable to provide an alternative method of valuation, such as Residual Method or Investment Method as the landowner has not come out with any proposal on the subject property. Therefore, no other method apart from the Comparison Method is suitable in this valuation exercise. As at the date of valuation, there are no proposed or approved plans for the subject property.

Valuation of Lot 2310

We have identified and analysed transactions of transactions of agricultural lands located within Dusun Sri Salam, off Jalan Pedas-Linggi, Rembau, Negeri Sembilan Darul Khusus in arriving at market value of the subject property. In particular, we have considered the following transactions:

Description	Comparable 1	Comparable 2	Comparable 3
Property Type	A plot of agricultural land	A plot of agricultural land	A plot of agricultural land
Lot No.	Lot No. 2266, Mukim of Kundor, District of Rembau, State of Negeri Sembilan Darul Khusus	P.T. 588, Mukim of Kundor, District of Rembau, State of Negeri Sembilan Darul Khusus	P.T. 591, Mukim of Kundor, District of Rembau, State of Negeri Sembilan Darul Khusus
Location	Within Dusun Sri Salam, off Jalan Pedas-Linggi, Rembau, Negeri Sembilan Darul Khusus	Within Dusun Sri Salam, off Jalan Pedas-Linggi, Rembau, Negeri Sembilan Darul Khusus	Within Dusun Sri Salam, off Jalan Pedas-Linggi, Rembau, Negeri Sembilan Darul Khusus
Tenure	Freehold	Freehold	Freehold
Land Area	Approximately 0.8320 hectare (about 2.0559 acres or 89,555 sq feet)	Approximately 0.5170 hectare (about 1.2775 acres or 55,648 sq feet)	Approximately 0.7120 hectare (about 1.7593 acres or 76,635 sq feet)
Consideration	RM110,000/-	RM55,000/-	RM350,000/-
Date	05 October 2010	06 November 2009	27 October 2004
Vendor	Public Bank Berhad	Chong Kau	Wangsa Management Sdn Bhd
Purchaser	E.W.H Chu Sdn Bhd	E.W.H Chu Sdn Bhd	Chay Poh Chuan
Source	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department
Analysis	RM1.23 per sq. foot	RM0.99 per sq. foot	RM4.57 per sq. foot
Adjustments	Upward adjustment made on terrain and size	Upward adjustment made on terrain and size	Upward adjustment made on shape and size Downward adjustment made on time
Adjusted Value	RM1.28 per sq. foot	RM1.05 per sq. foot	RM4.23 per sq. foot

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 68V110157

Valuation Rationale

Based on the adjustments mentioned above to arrive at the Market Value, we had noted that the adjusted values of comparables ranging from RM1.05 per sq. foot to RM4.23 per sq. foot.

As such, we have reconciled the adjusted market value of all comparables, which arrived at the average adjusted value of RM2.19 per sq. foot. However, It is pertinent to note that there have been limited transactions over the past 7 years. These 3 transactions are the only transactions available over that period. Comparable 3 took place in 2004 and is too far back to be reflective and representative of the current market value. Hence, only Comparable 1 and 2 are more current and reflective of the current market value. However, we have adopted Comparable 1 in arriving at the market value of the subject property as it was the latest transaction available but subject to adjustments.

Opinion of Market Value

We are in the opinion that the RM1.30 per sq. foot is justifiable for the subject property as it is an agriculture land. The said market value is fair when compared with the market values of the comparables that range from RM1.05 to RM4.23 per sq. foot and these depend heavily on the date, shape, terrain and land size.

We are of the opinion that the Market Value of the subject property as at 31st March 2011, free from all encumbrances, in its existing condition, held under freehold interest, with the titles being good, marketable and registrable as well as with vacant possession, is RM is **RM60,000/- (Ringgit Malaysia: Sixty Thousand Only).**

Yours faithfully,
RAHM & CO CHARTERED SURVEYORS (NS) SDN BHD



KAN KOK LEONG
Registered Valuer (V 588)
Branch Manager

14. VALUATION CERTIFICATE (Cont'd)



Rahim & Co

international property consultants

Our Ref : 68V110158

6th January 2012

The Board Of Directors

Sentoria Group Berhad

No. 56 & 58, Jalan Dagang SB 4/2

Taman Sg Besi Indah

43300 Seri Kembangan

Selangor Darul Ehsan

Dear Sirs,

VALUATION CERTIFICATE OF LOT NOS. 6937 AND 6939, BOTH IN MUKIM OF LENGGENG, DISTRICT OF SEREMBAN, STATE OF NEGERI SEMBILAN DARUL KHUSUS

[Locality: Lot 6937 and 6939, Barbara Forest Park Lenggeng (now known as Taman Arawana), about 2 kilometres from Pekan Lenggeng, Off Jalan Lenggeng-Broga, Lenggeng, Negeri Sembilan Darul Khusus]

This Valuation Certificate has been prepared for inclusion in the Prospectus of Sentoria Group Berhad to be dated 31st January 2012 in relation to the proposed listing of **Sentoria Group Berhad** on the Main Market of Bursa Malaysia Securities Berhad ("Proposed Listing").

In accordance with the instructions from **Sentoria Group Berhad**, we have valued the subject property for **Sentoria Group Berhad** vide our valuation report dated 20th May 2011 for the purpose of submission to **Securities Commission Malaysia** for the **Proposed Listing**. The subject property was inspected and referenced on 31st March 2011

We are pleased to certify that we have conducted the valuation on the legal interest of the subject property as at the material date of valuation on 31st March 2011

The Valuation Report and Valuation Certificate have been prepared in compliance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisals and Estate Agents, Malaysia.

The basis of valuation for the purpose of the report and valuation is the Market Value as defined in the Malaysian Valuation Standards. Market Value as defined in STANDARD 1 – Market Value Basis of Valuation as "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

For the purpose of the listing, we have prepared this letter which summarises our report, dated 20th May 2011 and bears reference no. 68V110158 and outlines key factors which have been considered in arriving at our opinion of the Market Value. This letter does contain all the necessary data and supporting information included in our report. For further information in relation to those contained herein, reference should be made to the said report.

Brief description of the subject property is as attached overleaf.

Rahim & Co Chartered Surveyors
(NS) Sdn. Bhd. (126427-X)

No. 124, 1st Floor, Jalan Dato' Bandar Tunggal,
70000 Seremban, Negeri Sembilan, Malaysia.

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Board Reg. No. VE(1)0065/3

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 68V110158

IDENTIFICATION OF PROPERTY

Subject Property	Two (2) adjoining plots of agricultural land
Title Nos.	GRN 186374 and GRN 186375 respectively
Tenure	Freehold for both lots
Category of Land Use	Agriculture for both lots
Surveyed Land Area	Lot 6937 : 0.4166 hectare Lot 6939 : 0.4152 hectare
Registered Owner	Sentoria Bina Sdn Bhd for both lots
Express Condition	"Tanah yang terkandung didalam hakmilik ini hendaklah ditanam dengan buah-buahan (dusun) sahaja" for both lots
Registered Owner	Sentoria Bina Sdn Bhd for both lots
Location of Property	The subject property is located approximately 2 kilometres north of Pekan Lenggeng and 7 kilometres from Pekan Beranang

GENERAL DESCRIPTION**Brief description of the subject property** **Lot No. 6937**

It is an intermediate plot of agricultural land. It is almost "L" shape. It has a frontage width of about 33.733 metres onto Jalan Arawana 1 and an average depth of about 92.657 metres.

The land is flat in terrain that lies level with Jalan Arawana 1. The site boundaries are not demarcated with any fencing. At the time of inspection, we noted that the site is overgrown with weed.

Lot No. 6939

It is an intermediate plot of agricultural land. It is almost rectangular in shape. It has a frontage width of about 76.210 metres onto Jalan Arawana 1 and an average depth of about 88.321 metres.

The land is flat in terrain that lies level with Jalan Arawana 1. The site boundaries are not demarcated with any fencing. At the time of inspection, we noted the land is overgrown with weed.

14. VALUATION CERTIFICATE (*Cont'd*)



Our Ref : 68V110158

Planning Provision

The subject property is for agriculture use as noted in the respective title deeds.

Our verbal enquiries made at the Jabatan Perancang Bandar Dan Desa in Seremban revealed that the subject property is located within an area zoned for agricultural use.

MARKET VALUE

Date of Valuation

31st March 2011

Method of Valuation

Comparison Method

This method entails critical analyses of recent evidence of values of comparable properties in the neighbourhood and making adjustments for differences.

We are unable to provide an alternative method of valuation, such as Residual Method or Investment Method as the landowner has not come out with any proposal on the subject property. Therefore, no other method apart from the Comparison Method is suitable in this valuation exercise. As at the date of valuation, there are no proposed or approved plans for the subject property.

Valuation of Lot 6937 and Lot 6939

We have identified and analysed transactions of Barbara Forest Park Lenggeng (now known as Taman Arawana), Lenggeng, Negeri Sembilan Darul Khusus area in arriving at market value of the subject property. In particular, we have considered the following transactions:

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 68V110158

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Property Type	A plot of agricultural land	A plot of agricultural land	A plot of agricultural land	A plot of agricultural land
Lot No.	P.T. 1131, Mukim of Lenggeng, District of Seremban, State of Negeri Sembilan Darul Khusus	Lot 6967, Mukim of Lenggeng, District of Seremban, State of Negeri Sembilan Darul Khusus	Lot 6936, Mukim of Lenggeng, District of Seremban, State of Negeri Sembilan Darul Khusus	Lot 6958, Mukim of Lenggeng, District of Seremban, State of Negeri Sembilan Darul Khusus
Location	Within Barbara Forest Park Lenggeng (now known as Taman Arawana), Off Jalan Lenggeng-Broga, Lenggeng, Negeri Sembilan Darul Khusus	Within Barbara Forest Park Lenggeng (now known as Taman Arawana), Off Jalan Lenggeng-Broga, Lenggeng, Negeri Sembilan Darul Khusus	Within Barbara Forest Park Lenggeng (now known as Taman Arawana), Off Jalan Lenggeng-Broga, Lenggeng, Negeri Sembilan Darul Khusus	Within Barbara Forest Park Lenggeng (now known as Taman Arawana), Off Jalan Lenggeng-Broga, Lenggeng, Negeri Sembilan Darul Khusus
Tenure	Freehold	Freehold	Freehold	Freehold
Land Area	Approximately 0.4180 hectare	Approximately 0.4360 hectare	Approximately 0.4280 hectare	Approximately 0.4160 hectare
Consideration	RM292,481/-	RM230,000/-	RM276,780/-	RM215,778/-
Date	20 July 2010	28 June 2010	16 June 2010	08 October 2009
Vendor	Vista-Prima Sdn Bhd	Jalur Hektar Sdn Bhd	Ibrahim Bin Mahmood	Vista-Prima Sdn Bhd
Purchaser	Beh Lee Chu	Aset Suriamas Sdn Bhd	Liong Siew Eng	Ow Yew Kun
Source	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department
Analysis	RM6.50 per sq. foot	RM4.90 per sq. foot	RM6.01 per sq. foot	RM4.82 per sq. foot
Adjustments for Lot 6937				
Adjustments	Downward adjustment made on shape Upward adjustment on time	Downward adjustment made on shape Upward adjustment on time and terrain	Downward adjustment made on shape Upward adjustment on time	Downward adjustment made on shape Upward adjustment on time and terrain
Adjusted Value	RM6.56 per sq. foot	RM5.05 per sq. foot	RM6.07 per sq. foot	RM5.06 per sq. foot

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 68V110158

Adjustment for Lot 6939				
Adjustments	Upward adjustment made on time	Upward adjustment made on time and terrain	Upward adjustment made on time	Upward adjustment made on time and terrain
Adjusted Value	RM6.63 per sq. foot	RM5.10 per sq. foot	RM6.13 per sq. foot	RM5.11 per sq. foot

Valuation Rationale**Lot 6937**

Based on the adjustments mentioned above to arrive at the Market Value, we had noted that the adjusted values of comparables ranging from RM5.05 per sq. foot to RM6.56 per sq. foot.

As such, we have reconciled the adjusted market value of all comparables, which arrived at the average adjusted value of RM5.69 per sq. foot. Therefore, we have adopted the round off average adjusted value of RM5.70 per sq. foot.

Lot 6939

Based on the adjustments mentioned above to arrive at the Market Value, we had noted that the adjusted values of comparables ranging from RM5.10 per sq. foot to RM6.63 per sq. foot.

We have reconciled the adjusted value of all comparables and arrived at the average adjusted value of RM5.74 per sq. foot.

In this valuation exercise, we have adopted the round off average adjusted value of RM5.75 per sq. foot for Lot No. 6939 and RM5.70 per sq. foot for Lot No. 6937 due to shape.

In arriving at the market value adopted, the averages of adjusted analysed values are considered reasonable because in our opinion, the market value of the subject properties shall not exceed the highest adjusted analysed value and should be higher than the lowest adjusted value for both properties.

Opinion of Market Value

We are of the opinion that the market value adopted, i.e. RM5.70 per sq. foot for Lot 6937 and RM5.75 per sq. foot for Lot 6939 are justifiable for the subject property as they are agriculture land. The said market value is fair when compared with the market values of the comparables that range from RM5.10 to RM6.63 per sq. foot and these depend heavily on the date, shape, terrain and land size. Furthermore we made additional adjustment for shape for Lot 6937 which being "L" shape.

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 68V110158

We are of the opinion that the Market Value of the subject property as at 31st March 2011, free from all encumbrances, in its existing condition, held under freehold interest, with the titles being good, marketable and registrable as well as with vacant possession, is as follows:

	SUBJECT PROPERTY	MARKET VALUE
a)	Lot No. 6937, Mukim of Lenggeng, District of Seremban, State of Negeri Sembilan Darul Khusus	RM255,000/- (Ringgit Malaysia: Two Hundred And Fifty-Five Thousand Only)
b)	Lot No. 6939, Mukim of Lenggeng, District of Seremban, State of Negeri Sembilan Darul Khusus	RM257,000/- (Ringgit Malaysia: Two Hundred And Fifty-Seven Thousand Only)

Yours faithfully,

RAHIM & CO CHARTERED SURVEYORS (NS) SDN BHD



KAN KOH LEONG
 Registered Valuer (V-588)
 Branch Manager

14. VALUATION CERTIFICATE (Cont'd)



An International Associate of savills

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Americas - Barbados - Mexico - USA

Africa - Botswana - Morocco - Oman - South Africa - Swaziland- Zambia

Our Ref : 90V110118(a)

6th January 2012

The Board of Directors
Sentoria Group Berhad
No. 56 & 58, Jalan Dagang SB 4/2
Taman Sg Besi Indah
43300 Seri Kembangan
Selangor Darul Ehsan

Dear Sirs,

VALUATION CERTIFICATE FOR THE FOLLOWING PROPERTIES:-

- 1) BUKIT GAMBANG WATER PARK;
- 2) 58 UNITS OF RESORT SUITE TOGETHER WITH A CLUBHOUSE, COMMERCIAL AREA AND PARKING LOTS LOCATED AT CARIBBEAN BAY RESORT AS WELL AS AN ON-GOING MIXED DEVELOPMENT PROJECT KNOWN AS ARABIAN BAY RESORT;
- 3) 55 UNITS OF SINGLE STOREY LOW MEDIUM COST TERRACE HOUSE, AN ON-GOING RESIDENTIAL DEVELOPMENT PROJECT KNOWN AS TULIP, 112 PLOTS OF SEMI DETACHED HOUSE LOT AND 15 PLOTS OF DETACHED HOUSE LOT, ALL LOCATED AT TAMAN GAMBANG DAMAI (DESA HIJAUAN);
- 4) 17 PLOTS OF UNDEVELOPED LAND

ALL LOCATED IN THE MUKIM OF ULU LEPAR, DISTRICT OF KUANTAN, STATE OF PAHANG DARUL MAKMUR
[Locality : Bukit Gambang Resort City, off Kuantan-Maran road, Kuantan, Pahang]

This Valuation Certificate has been prepared for inclusion in the Prospectus of Sentoria Group Berhad to be dated 31st January 2012 in relation to the proposed listing of Sentoria Group Berhad on the Main Market of Bursa Malaysia Securities Berhad ("**Proposed Listing**").

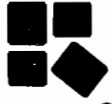
In accordance with the instructions from Sentoria Group Berhad, we have valued the subject properties for Sentoria Group Berhad vide our valuation report dated 20th May 2011 for the **purpose of submission to the Securities Commission Malaysia for the Proposed Listing**. The subject properties were inspected on 4th, 7th and 12th April 2011 and referenced on 31st March 2011.

We are pleased to certify that we have conducted the valuation on the legal interest of the subject properties as at the material date of valuation on 31st March 2011.

Rahim & Co (Pahang) Sdn. Bhd. (57152-P)
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Board Reg. No. VE(1)0065/10

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 90V110118(a)

The Valuation Report and Valuation Certificate have been prepared in compliance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia.

The basis of valuation for the purpose of the report and valuation is the Market Value as defined in the Malaysian Valuation Standards. Market Value as defined in STANDARD 1 – Market Value Basis of Valuation as “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

For the purpose of the listing, we have prepared this letter which summarises our report, dated 20th May 2011 and bears reference no. 90V110118(a), and outlines key factors which have been considered in arriving at our opinion of the Market Value. This letter does contain all the necessary data and supporting information included in our report. For further information in relation to those contained herein, reference should be made to the said report.

Brief description of the subject properties is as follows:-

IDENTIFICATION OF PROPERTIES

<i>Subject Properties</i>	<p>The subject properties comprise a total of 20 lots and they are made up of the following properties:-</p> <ol style="list-style-type: none"> 1) Bukit Gambang Water Park; 2) 58 units of resort suite together with a clubhouse, commercial area and parking lots located at Caribbean Bay Resort as well as an on-going mixed development project known as Arabian Bay Resort; 3) 55 units of single storey low medium cost terrace house, an on-going residential development project known as Tulip, 112 plots of semi detached house lot and 15 plots of detached house lot, all located at Taman Gambang Damai (Desa Hijauan); 4) 17 plots of undeveloped land
<i>Parent Lot Nos.</i>	<ol style="list-style-type: none"> 1) PT 2226, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur; 2) PT 2223, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur; 3) PT 2222, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur; 4) PT 2224, PT 2225, PT 2227, PT 2228, PT 326 to PT 338, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur
<i>Master Title Nos.</i>	<ol style="list-style-type: none"> 1) HSD 30045; 2) HSD 30042; 3) HSD 30041; 4) HSD 30043, HSD 30044, HSD 30046, HSD 30047, HSM 319 to HSM 327; HSM 329 to HSM 331 and HSM 346

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 90V110118(a)

Registered Owner	<p><i>PT 2222, PT 2223 & PT 2224</i> Sentoria Alfa Sdn Bhd</p> <p><i>PT 2225, PT 2226, PT 2227 & PT 2228</i> Perbadanan Setiausaha Kerajaan Pahang *note 1</p> <p><i>PT 326 to PT 338</i> Sentoria Development Sdn Bhd (now known as Sentoria Group Berhad)</p>
Tenure	<p><i>PT 2222 to PT 2228</i> Leasehold for 99 years expiring on 27/03/2107</p> <p><i>PT 326 to PT 338</i> Freehold</p>
Category of Land Use	<p><i>PT 2222 to PT 2228</i> : Building <i>PT 326 to PT 338</i> : Agriculture *note 2</p>
Provisional Land Area	Refer to "General Description"
Express Condition	<p><i>PT 2222 to PT 2228</i> "Tanah ini hendaklah digunakan untuk Bangunan Kediaman/Bangunan Perniagaan / Industri sahaja" <i>PT 326 to PT 338</i> *note 2 "Tanah ini hendaklah digunakan untuk tanaman getah sahaja"</p>
Location of Properties	<p>The Bukit Gambang Resort City is located within the local authority area of Majlis Perbandaran Kuantan, about 38 kilometres due south-west of Kuantan town centre.</p> <p>The Bukit Gambang Water Park, Caribbean Bay Resort, Arabian Bay Resort and the 17 undeveloped lands are located in the northern portion of the Kuantan-Maran trunk road whilst Taman Gambang Damai (Desa Hijauan) is located due south. PT 2222 has a direct frontage to the aforesaid road whereas PT 2223, PT 2224, PT 2225 and PT 2226 have direct frontage to the access metalled road known as Jalan Bukit Gambang Utama. PT 2227, PT 2228 and PT 326 to PT 338 are accessible via a laterite road.</p>

***note 1**

These lots are presently being transferred to Sentoria Alfa Sdn Bhd. Payment of relevant premium to effect the transfer has been made

***note 2**

Conversion of category of land use and express conditions to "building" for commercial use has been granted vide Pejabat Daerah dan Tanah Kuantan letter referenced Bil (20) dlm.PTK.2.1.1.3751 dated 17/12/2009.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

GENERAL DESCRIPTION***Brief description of the subject properties*** **Bukit Gambang Water Park**

The subject property is a parcel of mixed development land and is developed with a water theme park known as Bukit Gambang Water Park.

At the time of inspection and according to the approved pre-comp plan vide reference no. MPK/Zu20/10/100/00005(B), we noted about 32.91% (11.58 hectares) of PT 2226 has been improved with the water theme park and associated buildings. Some 47.39% (16.69 hectares) is reserved for future development and green area, whilst 19.70% (6.94 hectares) of the subject land covering an area comprises of man-made lake. Our further enquiries at the Planning Department, Majlis Perbandaran Kuantan revealed that the site meant for future development will not be subjected to allocation for "green area" or "open space" for the further expansion of the water park.

The water theme park is separated into various sections with each section having their own themes namely Coco Beach, Penguin Island, Tree Top Hill Slides and Corporate Function Area. The attractions include wave pool, man-made beach, lazy river and various types of slides.

The water park is also erected with the following buildings :-

Main Building

The main building is a four (4) storey building with three (3) basement level carpark. Structurally, the building is constructed of reinforced concrete framework with plastered walls. The building accommodates mainly the ticketing area, offices, souvenir shop, café, show gallery and seminar rooms.

The main floor area of the building is about 61,831.65 sq. feet and ancillary floor area is about 17,769.75 sq. feet. The floor area for the basement carpark is about 57,255.22 sq. feet.

Service Station 1 (Coco Pizza)

This service station is a two (2) storey building constructed of reinforced concrete framework with plastered walls. The building accommodates a café, changing rooms and lockers area.

The main floor area of the building is about 3,638.45 sq. feet and ancillary floor area is about 13,117.33 sq. feet.

Service Station 2 (Penguin Express)

This service station is a single-storey building constructed of reinforced concrete framework with plastered walls. The building accommodates a café. The main floor area of the building is about 9,605.04 sq. feet and ancillary floor area is about 1,138.29 sq. feet.

14. VALUATION CERTIFICATE (*Cont'd*)



Our Ref : 90V110118(a)

Service Station 3

This service station is a single-storey building constructed of reinforced concrete framework with plastered walls, accommodating changing rooms.

The main floor area of the building is 710.42 sq. feet and ancillary floor area is 322.92 sq. feet.

In addition to the above buildings, we also noted that there are two (2) open sided food and beverages outlets.

The structures have been issued with the Certificate of Completion Compliance (CCC) referenced LAM/P/No.0162 dated 18/11/2009.

58 units of resort suite together with a clubhouse, commercial area and parking lots located at Caribbean Bay Resort and an on-going mixed development project known as Arabian Bay Resort

The subject property is a mixed development land comprising resort apartment developments known as Caribbean Bay Resort (completed) and Arabian Bay Resort (under development).

Caribbean Bay Resort

The Caribbean Bay Resort comprises 7 blocks of 'Resort Suite' comprising 140 units of Studio suite, 420 units of Family suite, 18 units of Deluxe suite, 11 units of retail lots and a club house. The resort is completed and duly issued with the Certificate of Completion Compliance (CCC) referenced LAM/P/No.0163 dated 21/12/2009. It commenced operation in the last quarter of 2009. We were informed that except for the units owned by Sentoria Themeparks and Resorts Sdn Bhd and Sentoria Vacation Club Berhad, the resort suites are 100% sold.

In this exercise we are valuing the units owned by the Sentoria Themeparks and Resorts Sdn Bhd and Sentoria Vacation Club Berhad, subsidiaries of Sentoria Group Berhad.

Resort Suite

The subject property being valued comprises 20 unit of Studio suite and 20 units of Family suite resort apartments located within Block North Wing 1 (N1) and 18 units of Deluxe suites within Block North Wing 2 (N2), Caribbean Bay Resort, Bukit Gambang Resort City. The Deluxe suites are further categorized as Caribbean Deluxe suite, Premier Deluxe suite, Deluxe suite and Junior suite. The parcel numbers are N1-01-01, N1-01-08 to N1-01-16, N1-02-01, N1-02-08 to N1-02-16, N1-03-01, N1-03-08 to N1-03-16, N1-03A-01, N1-03A-08, N1-03A-09, N1-03A-13A, N1-03A-15, N1-03A-16, N1-05-01, N1-05-08, N1-05-09, N1-05-16 and N2-LG-01 to N2-LG-18.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

Structurally, the resort suite is constructed of reinforced concrete framework with plastered and painted brick walls.

The floor areas are as follows :-

Studio suite : 470 sq. feet

Family suite : 810 sq. feet

Caribbean Deluxe suite : 985 sq. feet

Premier Deluxe suite : 717 sq. feet

Deluxe suite : 717 sq. feet & 639 sq. feet

Clubhouse

The clubhouse is a four (4) storey building with three (3) basement level carpark. Structurally, the building is constructed of reinforced concrete framework with plastered walls. The building accommodates mainly the reception, main dining hall, kitchen, banquet hall, offices and seminar rooms. There are also swimming pools and basement parking lots.

The club house is designed to be issued with individual strata title, after deducting "common areas" allocated for the resort suites and other related areas. Based on the certified floor plan referenced SAM2007/CH/BP/01 provided by SAM Arkitek Perunding, the strata title floor area is about 86,582.02 sq. feet and the gross floor area for basement parking is about 56,937.81 sq. feet.

Commercial Area

The commercial area is located at the ground floor of Block N1, Caribbean Bay Resort. The commercial area is occupied by three (3) shops and bazaar. The strata title floor area is about 13,269.32 sq. feet.

Parking Lots

The parking lots refer to 225 car parking lots located at the ground floor of Block N2, N3, S1, S2, S3 and S3A. There are also 557 parking lots located at open area.

On-going mixed development project known as Arabian Bay Resort

The on-going Arabian Bay Resort, upon completion, will comprise 2 blocks of 160 units of Family suite each, 1 block of 216 units of Hotel suite and 10 units of Penthouse suite (total 546 resort suites), together with 16 shops, a corporate centre, a club house and a recreation centre.

During our inspection, we noted that Blocks A and C are about 30% completed whereas Block B is about 50% completed and Block D is about 35% completed.

Structurally, the proposed buildings will be constructed of reinforced concrete framework with plastered brick walls and concrete walls.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

The typical floor area for Family suite is 717.20 sq. feet whilst for Hotel suite is 400.74 sq. feet.

The Arabian Bay Resort was launched in the last quarter of 2010 and is expected to be completed and handed over to the purchasers in September 2012. As at 31st March 2011, 227 units of the Family suite in Block A and B and 100 units of Hotel suite in Block C have been sold, leaving 93 units of Family suite, 116 units of Hotel suite, 8 units of Penthouse suite (1 bedroom), 2 units of Penthouse suite (2 bedrooms) and 16 units of shop remain unsold.

The selling price for the remaining unsold units are as follows :-

Family suite (Block A) : RM176,260/- to RM212,800/-

Family suite (Block B) : RM164,860/- to RM200,800/-

Hotel suite (Block C) : 121,160/- to RM146,800/-

Penthouse suite (Block C) : RM198,800/- to RM 298,800/-

55 units of single storey low medium cost terrace houses, an on-going residential development project known as Tulip, 112 plots of semi detached house lot and 15 plots of detached house lot all located at Taman Gambang Damai (Desa Hijauan)

55 units of single-storey low medium cost terrace houses

The subject property being valued comprises 55 units of single-storey low medium-cost terraced houses of developer's standard design and construction. This development consists of 144 units and located within Phase 1 of Taman Gambang Damai (Desa Hijauan).

The low medium cost house form Statutory requirement in terms of its numbers, minimum size and maximum selling price. These units are specifically meant for those eligible with their names registered with the Pahang State Secretary Office (SUK).

The addresses are :-

- i) Nos. 34, 41, 56 and 57, Lorong GD 16;
 - ii) Nos. 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, 36, 38, 40, 42, 44, 46, 48, 50, 52, 54, 56 and 58, Lorong GD 15;
 - iii) Nos. 1, 5, 7, 9, 11, 13, 15, 17, 19 and 21, Lorong GD 14;
 - iv) Nos. 1, 3, 5, 7, 9, 11, 13 and 15, Lorong GD 13;
 - v) Nos. 3, 5, 7 and 9, Lorong GD 12;
- Taman Gambang Damai, 26300 Kuantan, Pahang.

Structurally, the single storey low medium cost terrace house is constructed of reinforced concrete structure with plastered and painted brick walls. Each house has a main floor area of about 699 sq feet and ancillary floor area of about 100 sq. feet.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

On-going residential development project known as Tulip

This project comprises 140 intermediate lots, 20 end lots and 8 corner lots. The intermediate lots are rectangular in shape. The provisional land area for typical intermediate lot is 1,302 sq. feet each whilst the corner lots have varying sizes ranging from 2,734 sq. feet to 2,939 sq. feet. The end lots have 12 lots with land area of 1,496 sq. feet and 8 lots with land area of 1,625 sq. feet.

During our inspection, we noted that earthwork has been completed and whereas foundation works were in progress.

Structurally, the proposed single-storey terrace house will be constructed of reinforced concrete framework with plastered and painted brick walls and in-situ concrete walls. The typical house will have an approximate main floor area of about 840 sq. feet and an ancillary floor area of 194 sq. feet, as scaled from the typical floor plan.

The project was launched in the last quarter of 2010 and is expected to be completed and handed over to the purchasers in October 2012. As at 31st March 2011, 46 units have been sold leaving 122 units remain unsold.

The selling price for the remaining unsold units ranges from RM91,800/- to RM157,000/- per unit.

112 plots of semi detached house lot & 15 plots of vacant detached house lot

The subject properties are 112 vacant semi detached and 15 vacant detached house lots and they are located within Phase 2 of Taman Gambang Damai (Desa Hijauan). The standard provisional land area for the semi-detached lot is 2,928 sq. feet. The corner lots have provisional land areas ranging from 3,724 sq. feet to 5,726 sq. feet. The detached lots have varying provisional land areas ranging from 5,403 sq. feet to 7,890 sq. feet.

The typical lot is rectangular in shape. At the time of inspection, we noted that the site preparation and earthwork for the lots have been completed and the site is ready for building construction development. However, we noted that the main infrastructure is not ready.

As the date of valuation, the proposed development is not launched yet.

17 plots of undeveloped lands

The 17 plots of undeveloped land identified as PT 2224, PT 2225, PT 2227, PT 2228 and PT 326 to PT 338, Mukim of Ulu Lepar, District of Kuantan, Pahang Darul Makmur. They form part of the on-going Bukit Gambang Resort City. The 17 undeveloped lands are located at the northern and eastern portions of Bukit Gambang Resort City.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

PT 2224, PT 2225, PT 2227 and PT 2228 are held under 99 year leasehold interest expiring on 27th March 2107. These are development lands held under "building" title. The aforesaid lots encompass the following provisional land areas:-

Lot No.	Provisional Land Area
PT 2224	8.0937 hectares
PT 2225	5.2609 hectares
PT 2227	52.6092 hectares
PT 2228	20.2343 hectares

PT 2224, PT 2225, PT 2227 and PT 2228 are irregular in shape and undulating to hilly in terrain. At the date of our inspection we observed that the subject sites are overgrown with wild trees and vegetations.

PT 326 to PT 338 are held under freehold interest and they are agriculture lands as stated in the respective titles. However, the said lots have been granted approval for conversion from "agriculture" to "building" use meant for commercial buildings. Each site encompasses a provisional land area of about 3.6422 hectares (9 acres).

PT 326 to PT 338 are almost rectangular in shape and undulating to hilly in terrain. As at the date of inspection, we noted that the subject sites are overgrown with wild trees and vegetations.

PT 2224 and PT 2225 have direct frontage to the Jalan Bukit Gambang Utama whilst PT 2227, PT 2228, PT 326 to PT 338 are interior lots and are presently accessible via laterite road.

Planning Provision

All the development and the on-going projects of the subject properties conform with the approved site layout plan of Bukit Gambang Resort City.

We were informed that there are plans to develop 'Bukit Gambang Safari Park' and 'Adventure Land' on PT 2227 and PT 2228. Planning approval for the said use has been granted. However no further development plan has been submitted yet.

We were also informed that the pre-comp plan pertaining to subdivision of PT 326 to PT 338 has been submitted for approval and the approval has been obtained on 01/04/2011. PT 326 to PT 336 are proposed for commercial-tourism based development known as 'Global Heritage'.

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 90V110118(a)

MARKET VALUE***Date of Valuation***31st March 2011***Methods of Valuation***

In arriving at the Market Value of the subject properties, we have adopted the following method of valuation :-

Bukit Gambang Water Park	Cost Method
Caribbean Bay Resort - 58 units of Resort Suite - Clubhouse, commercial area and parking lots	Comparison Method & Investment Method Comparison Method
On-going mixed development project known as Arabian Bay Resort	Residual Method
Taman Gambang Damai (Desa Hijauan) - 55 units of single-storey low medium cost terrace house	Adopted statutory pricing set by Setiausaha Kerajaan Negeri Pahang
- On-going residential development project known as Tulip	Residual Method
- 112 plots of semi detached house lot & 15 plots of detached house lot	Comparison Method
Undeveloped land	Comparison Method

Cost Method

The Cost Method (also known as Contractor's Method) entails critical analyses of evidence of value of vacant commercial site in the neighbourhood and making adjustment for differences.

The building is valued using the Replacement Cost Method. This method involves the valuation by adopting the current replacement cost arrived at by determining the construction cost, financing charges, advertising charges, professional fees, other incidental expenses and developer's profit in building the structures and to less depreciation.

Comparison Method

The Comparison Method entails critical analyses of recent evidence of values of comparable properties in the neighbourhood and making adjustments for differences. In valuing the subject property, we have taken into consideration all relevant factors, which include the locality, plot size, tenure, time, shape, terrain, land use and site improvement .

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

Investment Method

The Investment Method entails the determination of the probable gross annual rental the property is capable of producing and deducting therefrom the outgoings to arrive at the annual net income. The annual net income is capitalised using a rate of interest to arrive at the capital value of the property.

Residual Method

The Residual Method entails estimating the gross realization value of the development scheme on completion. Next the remaining cost incurred in the development, finance cost and the developer's profit and risk must be estimated and deducted from the foregoing gross realization value. The residual value arrived at represents the value of the land together with the value of any works completed on the land. In order to obtain the value of the land and the works done in its present state, the residual value so obtained must be deferred for the appropriate period at a suitable discount factor.

Valuation Rationale

Bukit Gambang Water Park

Ideally the property, as an income generating property, is valued using the Profit Method of valuation. However, the water park has only 1 ½ year of operation hence there is no sufficient data to establish its business track record.

The other method of valuation ie Comparison Method, is also not suitable to be used to value the property because the subject property is specialized in terms of theme, design, contents and construction and there is no transaction of water theme park in Malaysia recorded to be used as comparable.

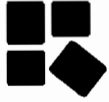
We noted that there is no other suitable method other than the Cost Method, can be used.

The construction cost of the park comprises preliminaries, site clearing & earthwork, infrastructure, buildings and water park attractions.

The overall construction cost the subject theme park is analysed at RM1,320,000/- per acre over the developed area of 28.628 acres. The average building cost is about RM50 per sq. foot.

We are of the opinion that in general the cost is reasonable, in comparison with overall cost of another water theme park, 'Lost World of Tambun' at RM1,500,000/- per acre and in comparison with construction costs stated in the Construction Cost Handbook Malaysia 2011 issued by Davis Langdon & Seah (Malaysia) Sdn Bhd in collaboration with Juru Ukur Bahan Malaysia & JUBM Sdn Bhd.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

Considerations are made on specialized and customized features incorporated and expertise required in such development. Higher depreciation rates compared to other commercial developments, have also been adopted. The market value arrived at is RM44,500,000/-.

Caribbean Bay Resort & On-going mixed development project known as Arabian Bay Resort

Resort Suite Located Within Block N1 & N2

Comparison Method and Investment Method are used.

Comparison Method

Studio Suite

Description	Comparable 1	Comparable 2
Property Type	1 bedroom condominium	1 bedroom condominium
Lot No.	9/ALG2-4	9/C/3/3-26
Address	LG2-4, Block A, Kuantan Tembeling Resort	3-12, Block C, Kuantan Tembeling Resort
Tenure	99 years lease (unexpired 81 years)	99 years lease (unexpired 81 years)
Land Area	617.53 sq. feet	678.13 sq. feet
Consideration	RM185,000/-	RM159,000/-
Date of Transaction	25 th October 2010	14 th May 2010
Vendor	Kuantan Tembeling Resort	Kuantan Tembeling Resort
Purchaser	Wong Kum Chong	Tang Kam Sing
Source	Valuation and Property Services Department	Valuation and Property Services Department
Analysis	RM299.58 psf	RM234.47 psf
Adjustments	Upward adjustment made on time Downward adjustment made on floor level, age/building condition and location	Upward adjustment made on time Downward adjustment made on age/building condition and location
Adjusted Value	RM255 psf	RM211 psf

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

Family Suite

Description	Comparable 3	Comparable 4
Property Type	2 bedroom condominium	2 bedroom condominium
Lot No.	9/C/3-3-34	9/C/G-7
Address	No. 3-34, Block C, Kuantan Tembeling Resort	G-7, Block C Kuantan Tembeling Resort
Tenure	99 years lease (unexpired 81 years)	99 years lease (unexpired 81 years)
Land Area	1,017.20 sq. feet	1,038.73 sq. feet
Consideration	RM210,000/-	RM240,000/-
Date of Transaction	14 th January 2010	17 th March 2010
Vendor	Kuantan Tembeling Resort	Kuantan Tembeling Resort
Purchaser	Siw Yun Fong @ Hiew Yun Fong	Ting Wei Huat and another
Source	Valuation and Property Services Department	Valuation and Property Services Department
Analysis	RM206.45 psf	RM231.05 psf
Adjustments	Upward adjustment made on time Downward adjustment made on age/building condition and location	Upward adjustment made on time Downward adjustment made on age/building condition and location
Adjusted Value	RM186 psf	RM208 psf

We have reconciled the adjusted value of all comparables and arrived at the adjusted value of RM233 per sq. foot for Studio suite and RM190 per sq. foot for the Family suite. In this valuation exercise, we have adopted the above figure for the Level 1 suite. For the Deluxe suite that is located at the lower ground floor of Block N2, further adjustment has to be made to reflect the differences in floor level, size and superior facilities.

We are in the opinion that the market value adopted is justifiable for the subject property. The said market value is fair when compared with the market values of the comparables that range from RM159,000 to RM185,000 per unit (Studio suite) and RM210,000 to RM240,000 per unit (Family suite).

Investment Method

The Studio suites and Family suites are presently rented out for a guaranteed return of RM650 to RM1,000 per month respectively for a term of 3 years with a 2 years renewal option.

Yields

The yields were analysed from the transaction price and the rental rate of the comparables. For Studio suite, we have adopted a nett yield of 6.0% for the current term and 6.5% for the reversionary period to reflect the uncertainty in the rental market.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

For the Family Suite, we have adopted a net yield of 6.5% for the current term and 7.0% for the reversionary period to reflect the uncertainty in the rental market.

Outgoings

The outgoings for the subject property as provided by our client is about 7% of the gross rent, consists of assessment, quit rent, insurance and maintenance. We have adopted this figure in our value computation.

The resort suites are presently rented to the operator at guaranteed rental income of RM650 and RM1,000 per month for a period of 3 years with option to renew for a further 2 years. The resort is at initial stage of operation and based on the developer's plan for expansion, we believe that rental can be sustained if not increased after the expiry of the term. We have adopted the same incomes for the reversion period.

The market value arrived at are :-

Comparison Method :RM110,000 (Studio) & RM154,000 (Family) – Level 1

Investment Method : RM110,000 (Studio) & RM150,000 (Family) – Level 1

The results give the same figures for Studio suite and a difference of RM4,000/- for Family suite. The present rental does not reflect actual market rental situation. It is an incentive provided by the developer to attract the purchaser to invest in the property. Thus we are in the opinion that the Comparison Method provides a better method of valuation, hence we adopt Market Value of RM110,000 for the Studio suite and RM154,000 for the Family suite in the Level 1.

Adjustments are made to reflect the differences in floor level, size and facilities. The total market value arrived at for the 58 resort suites is RM8,328,000/-

Clubhouse and commercial area

In addition to providing services and facilities to the 'resort suites', the club house is designed to and run as a commercial unit. Ideally the property, as an income generating property, is valued using the Profit Method of valuation. However, the club house has only 1 ½ year of operation hence there is no sufficient data to establish its business track record.

We noted that there is no other suitable method other than the Comparison Method, can be used.

The club house is designed to be issued with individual strata title, after deducting "common areas" allocated for the resort suites and other related areas. As per typical Sale and Purchase agreements of Caribbean Bay Resort units, the common areas

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 90V110118(a)

allocated for resort suites comprise gymnasium, mini water park, infinity pool, Jacuzzi, kid's land, swim spa, sauna, tree house, jungle deck, changing rooms and rest rooms.

The valuation is carried out on the "strata title" area i.e. 86,582 sq. feet.

The commercial area located on the ground floor of Block N1 is also valued using Comparison Method only as there is no other suitable methods can be used.

The valuation is carried out on the "strata title" area i.e. 13,269 sq. feet.

Clubhouse & Commercial Area

Description	Comparable 1	Comparable 2
Property Type	Supermarket	Shop unit
Lot No.	Lot 72291	155/A/GF-121
Address	Pasaraya Tunas Manja, Batu 11, Jalan Kuantan-Gambang	155/A/GF-121, Bailey Court, Jalan Galing, Kuantan
Tenure	Freehold	Freehold
Land Area	47,168.60 sq. feet	2,527.93 sq. feet
Consideration	RM7,800,000/-	RM390,000/-
Date of Transaction	22 nd May 2009	30 th July 2009
Vendor	Tunas Capital Sdn Bhd	Kuantan Land Sdn Bhd
Purchaser	Tunas Mart Sdn Bhd	Laow Weng Choon
Source	Valuation and Property Services Department	Valuation and Property Services Department
Analysis	RM165.36 psf	RM154.28 psf
Adjustments for Clubhouse		
Adjustments	Upward adjustment made on time Downward adjustment made on size, usage, location and tenure	Upward adjustment made on time Downward adjustment made on size, usage, location and tenure
Adjusted Value	RM58 psf	RM46 psf
Adjustments for Commercial area		
Adjustments	Upward adjustment made on time and size Downward adjustment made on floor layout, location and tenure	Upward adjustment made on time Downward adjustment made on size, floor layout, location and tenure
Adjusted Value	RM107 psf	RM39 psf

The market value arrived at are :-

Clubhouse : RM5,000,000/-

Commercial Area : RM930,000/-

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

On-going mixed development project known as Arabian Bay Resort

Only Residual Method is used for the on-going projects. Due to the on-going nature of these properties, we are unable to provide an alternative method of valuation, such as Comparison Method. The Comparison Method is unable to address the timing of cashflow of the amount billed for units sold and amount claimed for works certified done, accurately, resulting in an inaccurate value.

Gross Development Value (GDV)

It is pertinent to note that as at the date of valuation i.e. 31st March 2011, 327 out of 546 units have been sold. Of the sold units, an outstanding amount of RM29,236,140 is yet to be billed. In this valuation exercise, we have reflected the said amount.

The selling price starts from RM121,160/- and the sale performance is good. Hence, we adopt the developer's selling price (from RM121,160/-) for the remaining unsold units.

For the shop lots, we have taken the same comparables in determine the Market Value for the commercial area for Block N1, Caribbean Bay Resort. Lot 155/A/GF-121, Bailey Court was sold at RM 154.28 per sq. foot. Adjustments were made on the differences in time, general location and tenure. We conclude that the reasonable price for the shop lots is at RM130 per sq. foot. For the Clubhouse and Corporate centre, we have adopted the same comparables used in the valuation for the clubhouse in Caribbean Bay Resort. We have adopted RM58 per sq. foot for the selling price of the Clubhouse. For Corporate Centre, an upward adjustment has been made to reflect better commercial value of the Corporate Centre. Thus, we have adopted RM70 per sq. foot for the selling price of the Corporate Centre. The GDV is RM79,897,256.

*Gross Development Cost (GDC)***a) Pre-development cost**

The pre-development costs includes planning, surveyor and consultancy fees, soil investigation, planning fees and building submission fees, road contribution and Jabatan Bekalan Air contribution. Sewerage capital contribution is exempted for this project as the developer has its own sewerage plant for the whole project, which has been completed.

b) Cost of construction

The contracted building cost for this project is RM52,051,929. The contracted cost is analysed at RM71.20 per sq. foot, is considered reasonable, hence we adopted the contracted cost.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

The contracted infrastructure cost for this project is RM2,115,000. The contracted cost is analysed at RM4.07 per sq. foot seems fair for apartment type project, hence, we have adopted the contract cost.

c) Professional fee

We have adopted industry standard of 6% of the earthwork, infrastructure cost and construction cost as professional fee. The professional fee covers architect, quantity surveyors and civil engineers.

d) Marketing, Advertising, Legal and Agencies Fees

We have adopted 3% of the gross development value as the marketing, advertising, legal and agencies fees.

e) Administration and Management Fees

We have adopted industry standard of 3% of the earthwork, infrastructure cost and construction cost for administration and management fees.

f) Contingencies

We have adopted a rate of 5% of construction cost, infrastructure cost, earthwork cost, administration & management fee, professional fees and marketing, advertising, legal & agencies fees, as contingencies, as per current industry practice.

g) Finance cost

A finance cost of 9% per annum is adopted for half of the earthwork cost, infrastructure cost, construction cost, administration & management fee, professional fees and marketing, advertising, legal & agencies fee for half of the total development period.

h) Developer's Profit

We have adopted 20% of gross development value for developer's profit.

Development period

The project has 546 units, 327 of which have been sold. We also noted that for the completed units in the neighbouring Caribbean Bay Resort are 100% sold. As at the date of inspection, we noted that the project is about 30% to 50% completed. We adopted the total development period of 2.5 years for the development period, which includes 24 months for construction and 6 months for issuance of Certificate of Completion and Compliance.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

Amount claimed by Consultants/Contractors and Amount Billed from Sold Units

As at the date of valuation i.e. 31st March 2011, we were informed by our client that 327 out of 546 units have been sold. Of the sold units, an amount of RM26,189,060/- has been billed. The amount claimed for work done is RM14,894,498/-.

Discount Rate

In accordance with the Malaysian Valuation Standards, the discount rate for determining market value should be market derived. The discount rate is to reflect both risk and the time value of money. For the present value of money, we have adopted a rate of 9% per annum. The discount rate of 9% per annum adopted is based on the bridging loan interest applied by the commercial banks in Malaysia.

The market value arrived at is RM8,940,000/-

Taman Gambang Damai (Desa Hijauan-PT 2222)**55 single-storey low medium cost terrace houses**

The Comparison Method and Investment Method are normally used for the valuation of the completed property. However, these are the unsold units specifically meant for low income group of purchasers. The standard typical intermediate units are fixed at RM59,800 per unit by the Pahang State Secretary Office (SUK) and to be sold to qualified purchasers which are determined by the Pahang State Secretary Office (SUK). In this exercise, the low medium cost price is controlled by the Pahang State Secretary Office (SUK). Therefore, we have adopted the controlled selling price as the market value of these units. The market value arrived at is rounded to RM3,362,000/-

On-going residential development project known as Tulip

Only Residual Method is used for the on-going projects. Due to the on-going nature of these properties, we are unable to provide an alternative method of valuation, such as Comparison Method. The Comparison Method is unable to address the timing of cashflow of the amount billed for units sold and amount claimed for works certified done, accurately, resulting in an inaccurate value.

Gross Development Value(GDV)

The gross development value is the estimated sales revenue of the project. In this case, after deducting the amount billed for sold units, the GDV is RM18,987,640.

14. VALUATION CERTIFICATE (*Cont'd*)



Our Ref : 90V110118(a)

Gross Development Cost (GDC)

a) Pre-development cost

The pre-development costs includes planning, surveyor and consultancy fees, soil investigation, planning fees and building submission fees, road contribution and Jabatan Bekalan Air contribution. Sewerage capital contribution is exempted for this project as the developer has its own sewerage plant for the whole project, which has been completed.

b) Cost of construction

The contracted building cost for this project is RM8,047,200. The contracted cost is analysed at RM46/- per sq. foot for single-storey terraced houses in Kuantan, is considered reasonable, hence we adopted the contracted cost. The contracted infrastructure cost for this project is RM250,000. The contracted cost is analysed at RM0.72 per sq. foot seems fair as the main infrastructure facilities have been provided. Hence, we have adopted the contract cost.

c) Professional fee

We have adopted industry standard of 6% of the earthwork, infrastructure cost and construction cost as professional fee.

d) Marketing, Advertising, Legal and Agencies Fees

We have adopted 3% of the gross development value as the marketing, advertising, legal and agencies fees.

e) Administration and Management Fees

We have adopted industry standard of 3% of the earthwork, infrastructure cost and construction cost for administration and management fees.

f) Contingencies

We have adopted a rate of 5% of construction cost, infrastructure cost, cost, landscaping, administration & management fee, professional fees and marketing, advertising, legal & agencies fees, as contingencies, as per current industry practice.

g) Finance cost

A finance cost of 9% per annum is adopted for half of the infrastructure cost, construction cost, landscaping, administration & management fee, professional fees and marketing, advertising, legal & agencies fee for half of the total development period.

h) Developer's Profit

We have adopted 20% of gross development value for developer's profit.

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

Development period

The project has 168 units, 46 of which have been sold. We also noted that for the completed units in the Taman Gambang Damai (Desa Hijauan) are 100% sold out. From our observation about 70% of the units are occupied. We have adopted the total development period of 3 years for the development period, which includes 30 months for construction and 6 months for issuance of Certificate of Completion and Compliance.

Amount claimed by Consultants/Contractors and Amount Billed from Sold Units

As at the date of valuation i.e. 31st March 2011, we were informed by our client that of 46 units sold, an amount of RM229,460.00 has been billed. No claim for work done has been made.

Discount Rate

In accordance with the Malaysian Valuation Standards, the discount rate for determining market value should be market derived. The discount rate is to reflect both risk and the time value of money. For the present value of money, we have adopted a rate of 9% per annum. The discount rate of 9% per annum adopted is based on the bridging loan interest applied by the commercial banks in Malaysia.

The market value arrived at is RM3,180,000/-

Detached And Semi Detached House lots

Only Comparison Method is used as these properties are vacant sites without proposed project. No other method is suitable.

We have identified and analysed transactions of similar properties within other relevant localities in Kuantan in arriving at market value of the subject properties. In particular, we have considered the following transactions:

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

Semi detached house lot

Description	Comparable 1	Comparable 2	Comparable 3
Property Type	Vacant Semi Detached lot (Without infra)	Vacant Semi Detached lot (Without infra)	Vacant Semi Detached lot (Without infra)
Lot No.	PT 96490	PT 96492	PT 85990
Locality	Tg Lumpur/Kempadang	Tg Lumpur/Kempadang	Jln Kuantan-Pekan
Tenure	Freehold	Freehold	Freehold
Land Area	2,873.99 sq. feet	2,852.46 sq. feet	3,379.90 sq. feet
Consideration	RM29,710/-	RM29,520/-	RM30,000/-
Date of Transaction	29 th January 2010	29 th January 2010	30 th July 2008
Vendor	Zanal Bidin bin A Rahim	Zanal Bidin bin A Rahim	Zone Victory Sdn Bhd
Purchaser	Huda Al Mustafid bin Zakaria	Jasmi bin Yusof	Lai Wai Mee
Source	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department
Analysis	RM10.34 psf	RM10.35 psf	RM8.88 psf
Adjustments	Downward adjustment made on location and tenure	Downward adjustment made on location and tenure	Downward adjustment made on location and tenure
Adjusted Value	RM7.24 psf	RM7.24 psf	RM7.81 psf

Detached house lots

Description	Comparable 1	Comparable 2	Comparable 3
Property Type	Vacant Detached lot (Without infra)	Vacant Detached lot (Without infra)	Vacant Detached lot (Without infra)
Lot No.	Lot 170	Lot 51665	Lot 42333
Locality	Kg Baru Gambang	Kg Fajar, Jln Gambang	Rancangan Perumahan Gambang
Tenure	99 years lease (unexpired 90 years)	99 years lease (unexpired 84 years)	Freehold
Land Area	5,382.00 sq. feet	5,392.76 sq. feet	11,345.26 sq. feet
Consideration	RM37,000/-	RM30,000/-	RM65,000/-
Date of Transaction	22 nd July 2010	18 th March 2010	16 th April 2010
Vendor	Abd Rahman	Mohd Jusoh bin Abdullah	Ching Soy Mok
Purchaser	Alias bin Daud	Che Ku Azman bin Che Wan Taib	Thang Siak Hoy
Source	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department
Analysis	RM6.87 psf	RM5.56 psf	RM5.73 psf
Adjustments	No adjustment	Downward adjustment made on accessibility	Upward adjustment on size Downward adjustment made on tenure
Adjusted Value	RM6.87 psf	RM5.01 psf	RM5.73 psf

For semi detached house lot, we have reconciled the adjusted value of comparables 1 and 2 and arrived at an adjusted value of RM7.20 per sq. foot. For detached house lot, we have adopted the average of adjusted value at RM5.90 per sq. foot.

The total Market Value is RM3,805,000

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

Undeveloped Land

The Comparison Method is the only suitable method to value the undeveloped land without proposed development plans.

We have identified and analysed transactions of similar properties within other relevant localities in Kuantan in arriving at market value of the subject properties. In particular, we have considered the following transactions:

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Property Type	A vacant commercial land	Commercial land	Vacant Residential land	Vacant development land
Lot No.	Lot 54559	Lot 948	PT 102786	Lot 74388
Locality	Sector 2, Bdr Indera Mahkota, Kuantan	Fronts onto KM 18, Kuantan-Kemaman trunk road	Bdr Indera Mahkota, Off Jln Kuantan-Sg Lembing	Persiaran Gambang, Bandar MEC
Tenure	99 years lease (unexpired 85 years)	Freehold	99 years lease (unexpired 85 years)	99 years lease (unexpired 90 years)
Land Area	465,421.35 sq. feet	204,725.12 sq. feet	1,261,502.83 sq. feet	1,467,089.04 sq. feet
Consideration	RM13,960,000/-	RM7,000,000/-	RM9,856,457/-	RM10,265,000/-
Date of Transaction	12 th October 2009	21 st July 2010	3 rd December 2007	1 st September 2008
Vendor	Far East Holdings Sdn Bhd	Pelita Popular Sdn Bhd	Mentiga Corporation Berhad	Gambang Plantations Sdn Bhd
Purchaser	Kuantan Medical Centre Sdn Bhd	Kembang Subur Sdn Bhd	Pasdec Corporation Sdn Bhd	Kenangan Perkasa Sdn Bhd
Source	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department
Analysis	RM30 psf	RM34 psf	RM8 psf	RM7 psf
Adjustments for PT 2224 & 2225				
Adjustments	Downward adjustment made on location, terrain, improvement on land and shape. Upward adjustment made on time.	Downward adjustment made on location, size, tenure, terrain, improvement on land and shape.	Downward adjustment made on location, terrain, improvement on land, and shape. Upward adjustment made on time and land use.	Downward adjustment made on location, Upward adjustment made on time and land use.
Adjusted Value	RM11 psf	RM7 psf	RM6 psf	RM8 psf
Adjustments for PT 2227 & 2228				
Adjustments	Downward adjustment made on location, accessibility, size, terrain, improvement on land and shape. Upward adjustment made on time.	Downward adjustment made on location, accessibility, size, tenure, terrain, improvement on land and shape	Downward adjustment made on location, accessibility, size, terrain, improvement on land, and shape. Upward adjustment made on time and land use.	Downward adjustment made on location, accessibility and size. Upward adjustment made on time and land use.
Adjusted Value	RM4 psf	RM1 psf	RM4 psf	RM7 psf

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

Adjustments for PT 326 to 328				
Adjustments	Downward adjustment made on location, accessibility, terrain, improvement on land and land use Upward adjustment made on time and tenure.	Downward adjustment made on location, accessibility, size, terrain, improvement on land and land use	Downward adjustment made on location, accessibility, terrain and improvement on land. Upward adjustment made on time, land use and tenure	Downward adjustment made on location, accessibility and shape. Upward adjustment made on time, tenure and land use
Adjusted Value	RM6 psf	RM5 psf	RM4 psf	RM7 psf

PT 2224 & 2225

We have adopted the adjusted value of the best comparable, ie Comparable 3 at RM6.00 per sq. foot as the market value of the properties.

The Market Value arrived at is RM8,630,000/-

PT 2227 & 2228

We have adopted the average of adjusted value of Comparables 1 to 3, at RM3.00 per sq. foot as the market value of the properties.

The total Market Value is RM23,530,000/-

PT 326 to PT 338

We have adopted the average of adjusted value of all comparables, at RM6.00 per sq. foot as the market value of the properties.

The total Market Value is RM30,550,000/-

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(a)

Opinion of Market Value

We are of the opinion that the Market Value of the subject properties as at 31st March 2011, in its existing condition, free from all encumbrances, with the individual titles upon issuance to be good, marketable and registrable and held under 99-year leasehold term having unexpired term as per master titles (PT 2222 to PT 2228) and held under freehold interest (PT 326 to PT 338), as well as with vacant possession, as follows :-

No.	Description	Market Value
1)	Bukit Gambang Water Park;	RM 44,500,000/-
2)	58 units of resort suite together with a clubhouse, commercial area and parking lots located at Caribbean Bay Resort as well as an on-going project known as Arabian Bay Resort;	RM 23,198,000/-
3)	55 units of single storey low medium cost terrace house, an on-going project known as Tulip, 112 plots of semi detached house lot and 15 plots of detached house lot, all located at Taman Gambang Damai (Desa Hijauan);	RM 10,347,000/-
4)	17 plots of undeveloped land	RM 62,710,000/-
	Total	RM140,755,000/- <i>WSS</i>
	(Ringgit Malaysia : One Hundred Forty Million and Seven Hundred Fifty Five Thousand Only).	

Yours faithfully,
RAHIM & CO (PAHANG) SDN BHD

HAIRUNIZA MAHMUD, MISM
 Executive Director
 Registered Valuer (V 537)

14. VALUATION CERTIFICATE (Cont'd)



An International Associate of



Asia Pacific - Australia - China - Hong Kong - Indonesia - Japan - Macau
Malaysia - New Zealand - Singapore - South Korea - Taiwan - Thailand
Vietnam

Europe - Austria - Belgium - Croatia - France - Germany - Greece - Italy
Luxembourg - Monaco - Montenegro - Netherlands - Norway - Poland
Portugal - Russia - Spain - Sweden - Switzerland - Turkey

UK - England - Guernsey - Ireland - Jersey - Scotland - Wales

Americas - Barbados - Mexico - USA

Africa - Botswana - Morocco - Oman - South Africa - Swaziland- Zambia

Our Ref: 90V110118(c)

6th January 2012

The Board of Directors
Sentoria Group Berhad
No. 56 & 58, Jalan Dagang SB 4/2
Taman Sg Besi Indah
43300 Seri Kembangan
Selangor Darul Ehsan

Dear Sirs,

VALUATION CERTIFICATE OF LOT NO. 1259, MUKIM OF SUNGAI KARANG, DISTRICT OF KUANTAN, STATE OF PAHANG DARUL MAKMUR
[Locality: Along the Kuantan – Kemaman Trunk Road, Chengal Lempong, Kuantan, Pahang Darul Makmur]

This Valuation Certificate has been prepared for inclusion in the Prospectus of Sentoria Group Berhad to be dated 31st January 2012 in relation to the proposed listing of Sentoria Group Berhad on the Main Market of Bursa Malaysia Securities Berhad (“**Proposed Listing**”).

In accordance with the instructions from Sentoria Group Berhad, we have valued the subject property for Sentoria Group Berhad vide our valuation report dated 20th May 2011 for the **purpose of submission to the Securities Commission Malaysia for the Proposed Listing**. The subject property was inspected and referenced on 31st March 2011.

We are pleased to certify that we have conducted the valuation on the legal interest of the subject property as at the material date of valuation on 31st March 2011.

The Valuation Report and Valuation Certificate have been prepared in compliance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia.

The basis of valuation for the purpose of the report and valuation is the Market Value as defined in the Malaysian Valuation Standards. Market Value as defined in STANDARD 1 – Market Value Basis of Valuation as “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

Rahim & Co (Pahang) Sdn. Bhd. (57152-P)

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Malacca - Penang - Petaling Jaya - Seremban - Sungai Petani - Temerloh

Board Reg. No. VE(1)0065/10

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 90V110118(c)

For the purpose of the listing, we have prepared this letter which summarises our report, dated 20th May 2011 and bears reference no. 90V110118(c), and outlines key factors which have been considered in arriving at our opinion of the Market Value. This letter does contain all the necessary data and supporting information included in our report. For further information in relation to those contained herein, reference should be made to the said report.

Brief description of the subject property is as follows :-

IDENTIFICATION OF PROPERTY

Subject Property	A plot of vacant commercial land
Title No.	GM 2054
Tenure	Freehold
Category of Land Use	Building
Surveyed Land Area	1.0446 hectare
Express Condition	"Tanah ini hendaklah digunakan untuk Bangunan Perniagaan (Hotel/Resort/challet Sahaja"
Registered Owner	Sentoria Resorts Sdn Bhd
Location of Property	The subject property is located fronting onto the Kuantan – Kemaman trunk road within the locality known as Chengal Lempong, Kuantan. It is located within the local authority area of Majlis Perbandaran Kuantan.

The subject property fronts directly onto the Kuantan – Kemaman trunk road on its western boundary. It is situated approximately 13.5 kilometres north of Kuantan town centre and about 1.5 kilometre south of Balok Service Centre.

GENERAL DESCRIPTION

Brief description of the subject property The subject property is a plot of vacant commercial land located within a locality known as Chengal Lempong, Kuantan, Pahang Darul Makmur.

The western boundary fronts onto the Kuantan – Kemaman trunk road whilst the eastern boundary fronts onto the South China Sea. Adjoining to the southern boundary is Duta Village Resort. A metalled service road lies on the northern boundary of the subject property.

The site boundaries are not demarcated with any form of fencing.

At the time of inspection, we noted that the subject property is overgrown with bushes and wild trees.

14. VALUATION CERTIFICATE (*Cont'd*)



Our Ref : 90V110118(c)

Planning Provision

The subject property is designated for commercial use (Hotel/Resort/Chalet) as noted in the computer printout copy of the title document.

Our verbal enquiry at the Majlis Perbandaran Kuantan (MPK), the subject property is zoned for tourism related development. As at to-date, there is no application made by the owner to develop the subject property.

MARKET VALUE

Date of Valuation

31st March 2011

Methods of Valuation

Comparison Method

This method entails critical analyses of recent evidence of values of comparable properties in the neighbourhood and making adjustments for differences.

We are unable to provide an alternative method of valuation, such as Residual Method or Investment Method as the landowner has not come out with any proposal on the subject property. As at the date of valuation, there is no proposed or approved plan for the subject property.

The comparables adopted with the analysis of each comparable are shown below :-

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(c)

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Property Type	Vacant commercial land	Commercial land with improvements (buildings and ponds)	Vacant commercial land	Vacant commercial land
Lot No.	Lot No. 44, Mukim of Beserah, District of Kuantan, State of Pahang Darul Makmur	Lot No. 948, Mukim of Sungai Karang, District of Kuantan, State of Pahang Darul Makmur	Lot No. 932, Mukim of Sungai Karang, District of Kuantan, State of Pahang Darul Makmur	Lot No. 1453, Mukim of Sungai Karang, District of Kuantan, State of Pahang Darul Makmur
Locality	Kg Bukit Pelindung, off Kuantan-Kemaman trunk road	Fronts onto KM 18, Kuantan-Kemaman trunk road	Fronts onto KM 12, Kuantan-Kemaman trunk road	Kg Batu Hitam, off Kuantan-Kemaman trunk road
Tenure	Freehold	Freehold	Freehold	Freehold (Malay Reserve)
Land Area	Approximately 3.00 acres	Approximately 4.70 acres	Approximately 4.50 acres	Approximately 0.25 acre
Consideration	RM3,000,000/-	RM7,000,000/-	RM3,122,620/-	RM300,000/-
Date of Transaction	2 nd July 2009	21 st July 2010	24 th May 2007	5 th March 2007
Vendor	Balakrishnan A/L Kaliannan	Pelita Popular Sdn. Bhd.	Hamdy Bin Abdul Basek	Aniza Binti Ghazali
Purchaser	Mohd Qays Yik Bin Abdullah	Kembang Subur Sdn. Bhd.	Sanubari Sejahtera Sdn Bhd	Bertam Sinar Sdn Bhd
Source	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department
Analysis	RM22.96 per sq. foot	RM34.19 per sq. foot	RM15.94 per sq. foot	RM27.87 per sq. foot
Adjustments	Upward adjustment made on time, location and accessibility	RM2,000,000/- was estimated for improvement costs. Upward adjustment on time and size	Upward adjustment made on time and size	Downward adjustment made on size and improvement on land. Upward adjustment on time, tenure and shape
Adjusted Value	RM29 per sq. foot	RM26 per sq. foot	RM19 per sq. foot	RM29 per sq. foot

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 90V110118(c)

Valuation Rationale

Based on the adjustments mentioned above to arrive at the Market Value, we have noted that the adjusted values of comparables ranging from RM19 per sq. foot to RM29 per sq. foot. We consider Comparables 3 and 4 are the best comparables in valuing the subject property as they share similar locality and characteristics with the subject property.

We have taken the average adjusted values of Comparables 3 and 4 of RM24.00 per sq. foot as the market value for the subject property.

Opinion of Market Value

We have adopted the value of RM24.00 per sq. foot as the market value for Lot No. 1259, which translates to a Market Value of RM2,600,000/-

We are of the opinion that the Market Value of the subject property as at 31st March 2011, free from all encumbrances, in its existing condition, held under freehold interest, with the title being good, marketable and registrable as well as with vacant possession is at **RM2,600,000/- (Ringgit Malaysia : Two Million And Six Hundred Thousand Only).**

Yours faithfully,
RAHIM & CO (PAHANG) SDN BHD

HAIRUNZA MAHMUD, MISM
Executive Director
Registered Valuer (V-537)

14. VALUATION CERTIFICATE (Cont'd)



Our Ref : 68V110272

6th January 2012

The Board of Directors

Sentoria Group Berhad

No. 56 & 58, Jalan Dagang SB 4/2

Taman Sg Besi Indah

43300 Seri Kembangan

Selangor Darul Ehsan

Dear Sirs,

VALUATION CERTIFICATE OF FASA BUNGA RAYA OF DESA PINGGIRAN BAYU COMPRISING 135 UNITS OF TERRACED HOUSE LOT WHICH ARE IMPROVED UPON WITH UNCOMPLETED BUILDING STRUCTURES IDENTIFIED AS LOT NOS. P.T. 417 TO P.T. 420, BANDAR MANTIN UTAMA AND LOT 18179 TO LOT 18192, LOT 18195, P.T. 21118, LOT 18197 TO LOT 18211, LOT 18320 TO LOT 18331, LOT 18332 TO LOT 18333, LOT 18334 TO LOT 18357, LOT 18358 TO LOT 18371, LOT 18374 TO LOT 18385, LOT 18386 TO LOT 18400, P.T. 21323, LOT 18402 TO LOT 18409 AND LOT 18410 TO LOT 18421, MUKIM OF SETUL, ALL IN DISTRICT OF SEREMBAN, STATE OF NEGERI SEMBILAN DARUL KHUSUS

(Locality: Desa Pinggiran Bayu, Pajam, Negeri Sembilan Darul Khusus)

This Valuation Certificate has been prepared for inclusion in the Prospectus of Sentoria Group Berhad to be dated 31st January 2012 in relation to the proposed listing of **Sentoria Group Berhad** on the Main Market of Bursa Malaysia Securities Berhad ("Proposed Listing")

In accordance with the instructions from **Sentoria Group Berhad**, we have valued the subject property for **Sentoria Group Berhad** vide our valuation report dated 20th May 2011 for the purpose of submission to Securities Commission Malaysia for the Proposed Listing. The subject property was inspected and referenced on 14th April 2011.

We are pleased to certify that we have conducted the valuation on the legal interest of the subject property as at the material date of valuation on 31st March 2011.

The Valuation Report and Valuation Certificate have been prepared in compliance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisals and Estate Agents, Malaysia.

The basis of valuation for the purpose of the report and valuation is the Market Value as defined in the Malaysian Valuation Standards. Market Value as defined in STANDARD 1 – Market Value Basis of Valuation as "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

For the purpose of the listing, we have prepared this letter which summarises our report, dated 20th May 2011 and bears reference no. 68V110272, and outlines key factors which have been considered in arriving at our opinion of the Market Value. This letter does contain all the necessary data and supporting information included in our report. For further information in relation to those contained herein, reference should be made to the said report.

Brief description of the subject property is as attached overleaf.

Rahim & Co Chartered Surveyors
(NS) Sdn. Bhd. (126427-X)

No. 124, 1st Floor, Jalan Dato' Bandar Tunggal,
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Board Reg. No. VE(1)0065/3

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 68V110272

**IDENTIFICATION OF PROPERTY**

Property Type	135 units of terraced house lot which are improved upon with uncompleted building structures within Desa Pinggiran Bayu, Pajam, Negeri Sembilan Darul Khusus.
Title Nos.	H.S.(D) 204265 to H.S.(D) 204268 and GRN 105908 to GRN 105921, GRN 105924, H.S.(D) 124417, GRN 105926 to GRN 105940, GRN 105227 to GRN 105238, GRN 105226 to GRN 105225, GRN 105941 to GRN 105964, GRN 105239 to GRN 105252, GRN 105255 to GRN 105266, GRN 105976 to GRN 105985, H.S.(D) 124622, GRN 105984 to GRN 105977 and GRN 105267 to GRN 105278 respectively
Tenure	Freehold for all the subdivided lots
Category of Land Use	Building for all sub-divided lots
Total Land Area	12,429.600 sq. metres
Express Condition	"Tanah ini hendaklah digunakan untuk bangunan kediaman sahaja" for all sub-divided lots.
Registered Owner	I & P Jawi Sdn Bhd (now known as Lakehomes Development Sdn Berhad)*
Location of Property	The subject property is located 2 kilometres north of Mantin town and about 18 kilometres due north-west of the Seremban town centre.

* We understand that Sentoria Group Berhad is the beneficial owner of the subject property as per the Sale and Purchase Agreement dated 29th March 2011 between Lakehomes Development Sdn Berhad (the vendor) and Sentoria Development Sdn Bhd (now known as Sentoria Group Berhad) (the purchaser)

GENERAL DESCRIPTION

Brief description of the subject property	135 units of terraced house lots which are improved upon with uncompleted building structures within the uncompleted portion of Desa Pinggiran Bayu.
	The overall layouts of the subject sub-divided lots are arranged in 10 rows. The individual plots are mostly rectangular in shape except for the corner plots, which have splayed corners, and the total land area of all lots is approximately 12,429.600 sq. metres.
	The sites, wherein the subdivided lots are located, have been cleared and levelled to the required building platforms, and are flat in terrain and lies at the same level with the metalled service roads, i.e. Jalan Pinggiran Tanjung 2D/2 and Jalan Pinggiran Tanjung 2B. However, the site is generally higher than Persiaran Pinggiran Bayu, which is situated to its north-west.
	During our inspection, we noted that the boundaries of the subject sites are not demarcated by any form of fencing.
	All the lots are improved upon with uncompleted 2-storey terraced house building structures up to the stage of reinforced concrete roof beams which are estimated to be approximately 30% completed as per a letter of certification issued by the architect, M/s SAM Arkitek Perunding.

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 68V110272



We have been advised by our client of the following:

- The sewerage treatment plant for the project has been constructed
- The reservoir for the project has been constructed
- 1 unit of TNB substation will be constructed

The building plans for the subject property have been approved and a typical standard intermediate unit has the following accommodation and built-up:

Accommodations : Ground floor
Living, dining, kitchen and bath/W.C.
First Floor
Master bedroom with an attached bath/W.C. and 2 other bedrooms

Approximate floor areas : Main Floor Area: 80.13 sq. metres
Ancillary Floor Area: 9.98 sq. metres

Planning Provision

The subject property is designated for residential use as per the title deeds. It is also approved for development with double storey terraced houses. The building plans for the said development have been approved vide Bil 084/2011 dated 18th March 2011. A letter of approval to the same was issued by Majlis Perbandaran Nilai of reference MPN 341/462/04/4 (34) dated 18th March 2011.

MARKET VALUE

Date of Valuation 31st March 2011

Methods of Valuation Residual Method and Comparison Method

Residual Method

The Residual Method entails estimating the gross realization value of the development scheme on completion. Next the remaining cost incurred in the development, finance cost and the developer's profit and risk must be estimated and deducted from the foregoing gross realization value. The residual value arrived at represents the value of the land together with the value of any works completed on the land. In order to obtain the value of the land and the works done in its present state, the residual value so obtained must be deferred for the appropriate period at a suitable discount factor.

The above justifications for Residual Method can be summarized as follows:

Item	Remarks
<u>Gross Development Value</u>	: The total gross development value of Fasa Bunga Raya, Desa Pinggiran Bayu is RM14,285,278.33 (after allocated 30% for bumiputra at 10% discount). The selling prices were arrived at RM105,000/- to RM165,000/- after robust analysis of similar types of development in the neighbouring locations was taking into account factors like size of plot, built-up area, finishes and take-up rate.

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 68V110272



<u>Gross Development Cost</u>	:	The total development cost of Fasa Bunga Raya, Desa Pinggiran Bayu is RM9,282,026/-. The development costs are based on industry average costs. We have also made reference to and accepted the developer's cost as they are in accord with industry average costs. The infrastructure cost, which amounted to RM441,511/- covering drainage, water reticulation, sewerage work and road which is very much the amount provided by the client is adopted after taking into consideration analysis of similar types of land with infrastructure done and also the some major infrastructure work completed on the subject property.
a) <u>Pre-development cost</u>	:	We have adopted the actual costing in the industry for pre-development cost i.e. RM2.48 per sq. foot.
b) <u>Cost of construction</u>	:	The construction cost of the double-storey medium cost terraced house extended to us is RM34.074 per sq. foot. Nevertheless, we are of the opinion that the construction costs in Seremban are in the range of RM40 per sq. foot to RM60 per sq. foot. Therefore, we have adopted RM45 per sq foot for intermediate unit, RM51 per sq foot for end unit and RM53 per sq foot for corner unit which is deemed fair for the subject property being medium cost compact houses.
c) <u>Professional fee</u>	:	The range on normal industry practice is about 5% of site preparation, infrastructure and construction cost. However, as the initial stage of the subject property as well as reinforced concrete frames has been completed, therefore we have reduced the cost to 4%.
d) <u>Marketing, Advertising, Legal and Agencies Fees</u>	:	The market rate is about 2.75% of gross development value. Since the subject property only comprises compact medium cost terraced houses, we have therefore adopted a lower percentage of 2% which is deemed reasonable and fair.
e) <u>Administration and Management Fees</u>	:	We have adopted 4% of site preparation, infrastructure and construction cost for administration and management fees, notwithstanding the range on normal industry practice is about 5%. As the initial stage of the subject has been done, therefore we have reduced the cost to 4%.
f) <u>Contingencies</u>	:	We have adopted 5% of site preparation, infrastructure and construction cost for contingencies i.e. within the range based on normal industry practice.

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 68V110272



g) <u>Finance Cost</u>	: We have adopted finance cost of 9% per annum from half the cost of site preparation, infrastructure and construction cost at 1½ years, being the prevailing lending rate charged by several financing institutions for bridging finance.
h) <u>Developer's Profit</u>	Developer's profit is ranged from 12% to 20% of Gross Development Value (GDV) depending on the type of development approved on the site and also demand on the type of development. As the approved development for the subject property is medium cost terraced houses and we anticipate demand for this type of development is good, but the selling prices may be quite subdued, therefore the developer should expect a lower margin of profit, i.e. 12% of GDV. Higher percentage is given to the high-end development and vice versa.
i) <u>Development Period</u>	: We have projected about 4 years duration for the sales and development of Fasa Bunga Raya (135 units) as housing projects being undertaken in the area are small with total units per phase about 30 to 60 units. However, the pre-development stage has been completed; some of the major amenities are ready, together with the reinforced concrete frames completed which is estimated to be about 30% and these normally take about 1 year. Therefore, we are of the opinion that remaining development works would take about 3 years which is deemed reasonable.
j) <u>Discount Rate</u>	: In accordance with the Malaysian Valuation Standards, the discount rate for determining market value should be market derived. The discount rate is to reflect both risk and the time value of money. For the present value of money, we have adopted a rate of 9% per annum.

Comparison Method

This method entails critical analyses of recent evidence of values of comparable properties in the neighbourhood and making adjustments for differences. As this is an on-going project, we have made comparison with undeveloped residential lands located in the neighbourhood and adding to it the amount claimed by the contractors/consultants for the site improvements on the subject site and deducting the amount billed for those sold units

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 68V110272



The comparables adopted with the analysis of each comparable are shown below :-

Description	Comparable 1	Comparable 2	Comparable 3
Property Type	52 parcels of vacant terraced plots	24 parcels of vacant terraced plots	14 parcels of vacant terraced plots
Lot No.	Lot No. 4453, PT 58, PT 63, PT 62, 4437, 4443, 4444, 4442, PT 56, 4440, PT 32, PT 52, 4448, 4436, 4438, PT 31, PT 65, PT 64, PT 23, PT 39, PT 7/96, PT 66, PT 18, PT 21, PT 22, PT 19, PT 24, 4441, 4447, PT 30, PT 29, PT 28, PT 61, 4439, PT 60, PT 59, 4445, PT 26, 4446, 4450, PT 53, 4451, PT 54, 4449, 4452, PT 37, PT35, PT 36, PT 27, PT 55, PT 67 and PT 110	Lot Nos. 7899,7900, 7893, 7894, 7895, 7896, 7889, 7890, 7901, 7902, 7897, 7898, 7903, 7904, 7905, 7906, 7907, 7908, 7911, 7912, 7909, 7910, 7913 and 7914	Lot Nos. 104, 113, 111, 112, 120, 103, 116, 114, 106, 107, 101, 102, 109 and 105
Location	Taman Nagamas, Mantin	Taman Templer, KM 4, Jalan Seremban - Mantin	Taman Nagamas, Mantin
Tenure	Freehold	Freehold	Freehold
Land Area	77,702 sq. feet	39,116 sq. feet	21,571 sq. feet
Consideration	RM2,372,513/-	RM692,400/-	RM408,455/-
Date	28 th August 2009	12 th October 2009	28 th August 2009
Vendor	Kotakaya Corporation Sdn Bhd	Loke King Loong Development Sdn Bhd	Yap Yok Kee & Sons Sdn Bhd
Purchaser	Nagamas Land Development Sdn Bhd	Sinlita Construction & Renovation Sdn Bhd	Nagamas Land Development Sdn Bhd
Source	Valuation and Property Services Department	Valuation and Property Services Department	Valuation and Property Services Department
Analysis	RM30.53 per sq. foot	RM17.70 per sq. foot	RM18.94 per sq. foot
Adjustments	Downward adjustment made on size and location Upward adjustment made on time and status	Downward adjustment made on size Upward adjustment made on time and status	Downward adjustment made on size and location Upward adjustment made on time and status
Adjusted Value	RM33.59 per sq foot	RM21.24 per sq foot	RM19.88 per sq foot

14. VALUATION CERTIFICATE (Cont'd)

Our Ref : 68V110272



Valuation Rationale

Based on the adjustments mentioned above to arrive at the Market Value, we had noted that the adjusted values of comparables ranging from RM19.88 per sq foot to RM33.59 per sq foot.

As such, we have reconciled the adjusted market value of all comparables, which arrived at the average adjusted value of RM24.90 per sq foot. Therefore, we have adopted the round off average adjusted value of RM25.00 per sq foot for standard land size whilst for the extra land (corner unit), we have adopted 45% of the standard land size value i.e. 45% of RM25.00 per sq foot about RM11.25 per sq foot

Opinion of Market Value

The value arrived at by the Comparison and Residual Method of Valuation is RM4,850,000/- and RM5,570,000/- respectively.

There is a difference in value of RM720,000/- between the two methods of valuation adopted. However, the subject property is to be developed into Fasa Bunga Raya of Desa Pinggiran Bayu with all the preliminary works done, some major infrastructure completed together with reinforced concrete frames completed, furthermore, the value of individual lots may hinge on the time frame taken for sale and completion. Therefore, we are of the opinion that the market value of the subject property is RM5,570,000/- based on the Residual Method.

We are of the opinion that the Market Value of the subject property as at 31st March 2011, free from all encumbrances, in its existing condition, held under freehold interest, with the titles being good, marketable and registrable as well as with vacant possession, is **RM5,570,000/-**. (Ringgit Malaysia : Five Million Five Hundred And Seventy Thousand Only)

Yours faithfully,
RAHIM & CO CHARTERED SURVEYORS (NS) SDN BHD



KAN KOK LEONG
Registered Valuer (V 588)
Branch Manager

15. FURTHER STATUTORY AND OTHER GENERAL INFORMATION

15.1 SHARE CAPITAL

- (i) Save for the ESOS Options as disclosed in Section 2.3.4 and 13.0 of this Prospectus, no shares will be allocated or issued on the basis of this Prospectus later than twelve (12) months after the date of issue of this Prospectus.
- (ii) Save for the ESOS Options as disclosed in Section 2.3.4 and 13.0 of this Prospectus, neither our Company nor our subsidiaries has any capital that is under option, or agreed conditionally or unconditionally to be put under option.
- (iii) As at the date of this Prospectus there is one (1) class of shares in our Company, being ordinary shares of RM0.20 each, the details of which are outlined in Section 2.2.1 of this Prospectus.
- (iv) Save as disclosed in Sections 2.3, 4.1.5 and 4.13 of this Prospectus, no shares, debentures, warrants, options, convertible securities or uncalled capital of our Company and our subsidiaries have been issued or are proposed to be issued as fully or partly paid-up in cash or otherwise, within the two (2) years preceding from the date thereof.
- (v) Save for the IPO Shares reserved for our eligible Director, employees and business associates as disclosed in Section 2.3.1(ii) of this Prospectus and the ESOS as set out in Sections 2.3.4 and 13.0 of this Prospectus, there is currently no other scheme for or involving our Directors or employees of our Company or our subsidiaries.
- (vi) Save for the ESOS Options as disclosed in Section 2.3.4 and 13.0 of this Prospectus, neither our Company nor our subsidiaries have any outstanding convertible debt securities, options, warrants or uncalled capital as at the date of this Prospectus.

15.2 ARTICLES OF ASSOCIATION

The following provisions are extracted from our Company's Articles of Association. The words and expressions appearing in the following provisions shall bear the same meanings used in our Company's Articles of Association.

- (i) Transfer of securities

Article 29

The transfer of any listed securities or class of listed securities of the Company which have been deposited with the Depository shall be by way of book entry by the Depository in accordance with the Rules of the Depository and notwithstanding Sections 103 and 104 of the Act, but subject to Section 107C(2) of the Act and any exemption that may be made from compliance with Section 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such listed securities.

Article 30

Subject to these Articles, the Act, the Depositories Act and the Rules of the Depository (with respect to transfer of deposited security), the instrument of transfer shall be executed by or on behalf of the transferor and the transferee and the transferor shall be deemed to remain the holder of the share until the transferee's name is entered in the Register as the holder of that share and/or the Record of Depositors as the case may be, in respect thereof. All transfer of deposited securities shall be effected in accordance with the Act, the Depositories Act and the Rules of the Depository.

15. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Article 31

- (1) Subject to these Articles, the Act, the Depositories Act and the Rules of the Depository (with respect to the transfer of deposited security), the Directors may in their absolute discretion and without assigning any reason thereof, decline to register any transfer of shares which are not deposited with the Depository.
- (2) The Depository may refuse to register any transfer of deposited security that does not comply with the Depositories Act and the Rules of the Depository. Subject to the provisions of the Act, the Depositories Act and the Rules of the Depository, no listed securities shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind or any partnership or unincorporated association or body.

Article 32

Subject to the provisions of the Act, the Depositories Act and the Rules of the Depository, all dealings in respect of deposited securities shall only be effected by the beneficial owners of such deposited securities or an authorised nominee, as the case may be. A Depositor shall not withdraw the securities which have been deposited with a Depository except in such manner as may be specified in the Rules.

Article 33

The Register of Members may be closed at such time and for such period as the Directors may from time to time determine PROVIDED ALWAYS that they shall not be closed for more than thirty (30) days in any year. Any notice of intention to fix a books closing date and the reason therefore shall be published in a daily newspaper circulating in Malaysia and shall also be given to the Exchange, such notice shall state the books closing date, which shall be at least ten (10) clear market days after the date of notification to the Exchange, and the address of the share registry at which documents will be accepted for registration. In relation to such closure, the Company shall give written notice, in accordance with the Rules of the Depository to issue the appropriate Record of Depositors.

Article 34

Subject to the provisions of these Articles the Directors may recognise a renunciation of any share by the allottee thereof in favour of some other person.

Transmission of Securities

Article 36

In case of the death of a member, the legal personal representatives of the deceased, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of deceased holder from any liability in respect of any share which had been held by him.

15. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)Article 37

Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence of title being produced as may from time to time properly be required by the Directors (but subject to the provisions hereinafter contained), elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy. Before recognising any executor or administrator, the Directors may require him to furnish the probate or letter of administration as evidence. PROVIDED ALWAYS that where the share is a deposited security, subject to the Rules of the Depository, a transfer or withdrawal of the share may be carried out by the person becoming so entitled.

Article 38

If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects provided that where the share is a deposited security and the person becoming entitled elects to have the share transferred to him, the aforesaid notice must be served by him on the Depository. If he elects to have another person registered he shall testify his election by executing a transfer of the share to that person. All the limitations, restrictions and provisions of these Articles relating to the rights to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.

Article 39

Where the registered holder of any shares dies or becomes bankrupt his personal representative or the assignee of his estate, as the case may be, shall, upon the production of such evidence as may be from time to time be properly required by the Directors in that behalf, be entitled to the same dividends and other advantages and to the same rights (whether in relation to meetings of the Company or to voting or otherwise) as the registered holder would have been entitled to if he had not died or become bankrupt.

(ii) Remuneration of Directors

Article 96

The Directors shall be paid by way of remuneration for their services. The remuneration payable to non-executive Directors shall be such fixed sum (if any) as shall from time to time be determined by the Company in general meeting, and such remuneration shall be divided among the Directors in such proportions and manner as the Directors may determine, PROVIDED ALWAYS that:-

- (a) fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover;
- (b) salaries payable to executive Directors may not include a commission on or percentage of turnover; and
- (c) fees payable to the Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting;

15. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (d) save as provided in Article 96(c) hereof, an Executive Director shall, subject to the terms of any agreement (if any) entered into in any particular case, receive such remuneration as the Directors may determine and need not be determined by the Company in general meeting.
 - (e) any fee paid to an Alternate Director shall be such as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.
- (iii) Voting and Borrowing Powers of Directors

Article 101

Subject to the provisions in the Act and the Listing Requirements, the Directors may exercise all the powers of the Company to borrow and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company, or its subsidiaries or of its related company PROVIDED ALWAYS that the Directors shall not borrow any money or mortgage or charge any of the Company's undertaking, property or any uncalled capital or to issue debentures and other securities whether outright or as security for any debts, liability or obligation of an unrelated third party.

Article 113

- (1) The quorum necessary for the transaction of the business of the Directors shall be two (2) and a meeting of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretions by or under these Articles vested in or exercisable by the Directors generally.
- (2) For the purpose of determining whether the quorum for the transaction of the business of the Directors exists, a meeting of the Board or a Committee appointed by the Board may be held by means of a video conference or telephone conference or other telecommunications facilities which permits all persons participating in the meeting to communicate with each other. A person so participating shall be deemed to be present at such meeting and unless other provided in these Articles, shall be counted in a quorum and be entitled to vote.

Article 115

Subject to these Articles any question arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. However, where at the meeting, only two (2) Directors form the quorum or where only two (2) Directors are competent to vote on the question at issue, the Chairman of the meeting shall not have a second or casting vote

15. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)**(iv) Changes In Capital and Variation of Class Rights****Article 4**

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the provisions of these Articles and the Act, shares in the Company may be issued by the Directors any such shares may be issued with such preferred, deferred or other special rights, and subject to such restrictions, whether in regard to dividend, voting, return of capital or otherwise, and at such times as the Directors may determine but the Directors in making any issue of shares shall comply with the following conditions:-

- (a) no shares shall be issued at a discount except in compliance with the provisions of the Act;
- (b) in the case of shares offered to the public for subscription the amount payable on application on each share shall be paid in full;
- (c) in the case of shares, other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles and in the resolution creating the same;
- (d) no issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person, company or syndicate without the prior approval of the members of the Company in general meeting;
- (e) every issue of shares or options to employees and/or Directors of the Company shall be approved by the members in general meeting and no Director shall participate in such issues of shares or options unless the members in general meeting have approved of the specific allotment to be made to such Director.

Article 7

The repayment of preference share capital other than redeemable preference shares, or any alteration of preference shareholders rights shall only be made pursuant to a special resolution of the preference shareholders concerned PROVIDED ALWAYS that where the necessary majority for such a special resolution is not obtained at the meeting consent in writing obtained from the holders of three-fourth of the preference shares concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

Article 8

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class. To every such separate general meeting the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class and that any other holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution the provisions of Section 152 of the Act shall, with such adaptations as are necessary apply.

15. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)Article 9

The rights conferred upon holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.

Article 53

The Company may from time to time, whether all the shares for the time being authorised shall have been issued, or all shares for the time being issued shall have been fully paid up or not, by ordinary resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase directs.

Article 54

Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares or securities which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under these Articles.

15.3 LIMITATION OF RIGHTS

There are no limitations on the right to own securities including limitations on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares.

15.4 MATERIAL CONTRACTS

Save as disclosed below, we have not entered into any contract not being a contract entered into in the ordinary course of business of our Group, within two (2) years preceding the date of this Prospectus:-

- (i) Sale and Purchase Agreement dated 15 March 2011 entered into between Sentoria Harta and Nirwana Maju Sdn Bhd in relation to the disposal by Sentoria Harta of Commercial Lot A measuring approximately 1 acre and Commercial Lot B measuring approximately 2.8 acres, held under the master title HSD 28416 PT 9170 in the Mukim of Kuala Kuantan, District of Kuantan, State of Pahang Darul Makmur free from encumbrances with its Malay Reservation Status duly removed from the register document of title and with vacant possession subject to the conditions and restrictions in interest to the issue document of title for a purchase price of RM3,232,314.20. Subsequently, the parties have entered into a supplemental agreement dated 15 March 2011 wherein the parties agreed that if the area of the Commercial Lot A and B as shown in the final issue document of title shall be different as that stated in the sale and purchase agreement, the purchase price shall be adjusted at the rate of RM18.30 per sq foot accordingly;

15. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (ii) Sale and Purchase Agreement dated 29 March 2011 entered into between Sentoria and Lakehomes Development Sdn. Berhad (formerly known as I&P Jawi Sdn Bhd) in relation to the acquisition by Sentoria of 135 parcels of land held in the Mukim of Setul, District of Seremban and State of Negeri Sembilan measuring in area approximately 3.07 acres free from encumbrances and with vacant possession on an 'as is where is' basis subject to the conditions and restrictions in interest to the issue document of title for a purchase price of RM5,100,000; and
- (iii) Underwriting Agreement dated 12 January 2012 between our Company, the Managing Underwriter and the Underwriters for the underwriting of 30,000,000 Public Issue Shares ("**Underwritten Shares**") at an underwriting commission of 2.75% of the value of the total Underwritten Shares and upon the terms and conditions contained therein.

15.5 MATERIAL LITIGATION OR ARBITRATION

We have not engaged whether as plaintiff or defendant in any legal action, proceeding, arbitration or prosecution for any criminal offence which has a material effect on the financial position of our Group and the Directors do not know of proceedings pending or threatened or any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of our Group.

15.6 REPATRIATION OF CAPITAL AND PROFITS

To the best knowledge of our Directors, there are no governmental laws, decrees, regulations or other legislation in Malaysia that may affect the repatriation of capital and the remittance of profit by or to our Group.

15.7 GENERAL INFORMATION

During the last financial year and the current financial year to date, there were no:-

- (i) public take-over offers by third parties in respect of our Company's shares; and
- (ii) public take-over offers by our Company in respect of other companies' shares.

15.8 CONSENTS

The written consent of the Principal Adviser, Managing Underwriter, Underwriters, Joint Placement Agents, Company Secretaries, Solicitors for the IPO, Principal Bankers, Share Registrars and Issuing House to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of the Reporting Accountants and Auditors to the inclusion in this Prospectus of their name, Accountants' Report, letters relating to the Proforma Consolidated Financial Information in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of the Independent Registered Valuers to the inclusion in this Prospectus of their names and the Valuation Certificate in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

15. FURTHER STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

The written consent of the Independent Market Research Consultants to the inclusion in this Prospectus of their name and the Independent Market Research Report in the form and context in which they are contained in this Prospectus, has been given before the issuance of this Prospectus and has not been subsequently withdrawn.

15.9 DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of our Company during normal business hours for a period of twelve (12) months from the date of this Prospectus:-

- (i) The Memorandum and Articles of Association of our Company;
- (ii) The Directors' Report referred to in Section 12 of this Prospectus;
- (iii) The Accountants' Report as included in Section 11 of this Prospectus;
- (iv) The Reporting Accountants' letters relating to the Proforma Consolidated Financial Information as set out in Section 10.3 of this Prospectus;
- (v) The audited financial statements of our Company and our subsidiaries for the past three (3) FYE 2010 and FPE 2011;
- (vi) The Executive Summary of the IMRR as set out in Section 5 of this Prospectus and the full IMRR, both prepared by Converging Knowledge;
- (vii) The ESOS By-Laws set out in Section 13 of this Prospectus;
- (viii) The material contracts referred to in Section 15.4 of this Prospectus;
- (ix) Valuation Reports prepared by Rahim & Co and its Valuation Certificate thereof as set out in Section 14 of this Prospectus; and
- (x) The letters of consent referred to in Section 15.8 of this Prospectus.

15.10 RESPONSIBILITY STATEMENTS

This Prospectus has been reviewed and approved by our Directors and Promoters and the Offeror and they collectively and individually accept full responsibility for the accuracy of the information in this Prospectus and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement herein false or misleading.

An Investment Bank acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the IPO.

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16. PROCEDURES FOR APPLICATION AND ACCEPTANCE

16.1 OPENING AND CLOSING OF APPLICATIONS

Applications will be accepted from 10.00 a.m. on 31 January 2012 to 5.00 p.m. on 10 February 2012 or for such further period or periods as the Directors, Promoters and Offerors of our Company together with our Managing Underwriter and Underwriters in their absolute discretion may mutually decide. In the event that the closing date of the IPO is extended, the dates for the balloting, allotment of the IPO Shares and the Listing will be extended accordingly. Any extension of the abovementioned dates will be announced by way of advertisement in a widely circulated daily Bahasa Malaysia and English newspapers. Late applications will not be accepted.

16.2 METHODS OF APPLICATION

Application Form, Electronic Share Application and Internet Share Application.

16.3 PROCEDURES FOR APPLICATIONS

Applications shall be made in connection with and subject to the terms of this Prospectus and the Memorandum and Articles of Association of our Company.

(i) Application by Malaysian Public for Allocations via Balloting

Applications for the 20,000,000 Shares made available for applications by the Malaysian Public must be made on the White Application Forms provided or by way of Electronic Share Application through a Participating Financial Institution's ATM or Internet Share Application through the Internet financial services website of the Internet Participating Financial Institutions. A corporation or institution cannot apply for shares by way of Electronic Share Application or Internet Share Application.

(ii) Application by Eligible Director, Employees and Business Associates

Applications for the 10,000,000 Shares reserved for eligible Director, employees and business associates of our Group must be made on the Pink Application Forms provided. The application must not be made on any other Application Form or by way of Electronic Share Application through a Participating Financial Institution's ATM or Internet Share Application through the Internet financial services website of the Internet Participating Financial Institutions.

(iii) Application by Selected Investors via Placement

Selected investors being allocated the 30,000,000 Shares under this category will be contacted directly by the Joint Placement Agents and are to follow the instructions as communicated by the Joint Placement Agents.

16.4 APPLICATIONS USING APPLICATION FORMS

THE FOLLOWING RELEVANT APPLICATION FORMS ISSUED WITH THE NOTES AND INSTRUCTIONS PRINTED THEREIN ARE ENCLOSED WITH THIS PROSPECTUS AND ARE DEEMED TO FORM PART THEREOF:-

- (i) **White** Application Forms for the application of Malaysian Public;
- (ii) **Pink** Application Forms for the application by eligible Director, employees and business associates of our Group;

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

White Application Forms together with copies of this Prospectus may be obtained, subject to availability, from AmInvestment Bank, member companies of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and MIH.

Pink Application Forms together with copies of this Prospectus will be sent out to eligible Director, employees and business associates of our Group.

The submission of an Application Form does not necessarily mean that the application will be successful.

Directors and employees of MIH and their immediate families are strictly prohibited from applying for the IPO Shares.

Only 1 Application Form from each applicant will be considered and applications must be for 100 ordinary shares or multiples thereof. Multiple applications will not be accepted. A person who submit multiple applications in his own name or by using the name of others, with or without their consent, commits an offence under Section 179 of the CMSA and if convicted, may be punished with a minimum fine of RM1,000,000 and to a jail term of up to 10 years under Section 182 of the CMSA.

Persons submitting applications by way of Application Forms or Electronic Share Applications or Internet Share Applications must have a CDS account.

The amount payable in full upon application is RM0.85 per Share. Persons submitting applications by way of Applications Forms may not submit applications by way of Electronic Share Applications or Internet Share Applications and vice versa. A corporation or institution cannot apply for shares by way of Electronic Share Application or Internet Share Application.

IN THE CASE OF AN INDIVIDUAL APPLICANT OTHER THAN A MEMBER OF THE ARMED FORCES OR POLICE, THE NAME AND NATIONAL REGISTRATION IDENTITY CARD (NRIC) NUMBER OF THE APPLICANT MUST BE EXACTLY THE SAME AS STATED IN:-

- (i) (a) THE APPLICANT'S NRIC;
 - (b) ANY VALID TEMPORARY IDENTITY DOCUMENT AS ISSUED BY THE NATIONAL REGISTRATION DEPARTMENT FROM TIME TO TIME; OR
 - (c) THE APPLICANT'S RESIT PENGENALAN SEMENTARA (JPN KP 09) ISSUED PURSUANT TO PERATURAN 5(5), PERATURAN-PERATURAN PENDAFTARAN NEGARA 1990; AND
- (ii) THE RECORDS OF BURSA DEPOSITORY.

WHERE THE APPLICANT IS A MEMBER OF THE ARMED FORCES OR POLICE, THE NAME AND THE ARMED FORCES OR POLICE PERSONNEL NUMBER, AS THE CASE MAY BE, OF THE APPLICANT MUST BE EXACTLY THE SAME AS THAT STATED IN HIS / HER AUTHORITY CARD.

IN THE CASE OF A CORPORATE / INSTITUTIONAL APPLICANT, THE NAME AND THE CERTIFICATE OF INCORPORATION NUMBER OF THE APPLICANT MUST BE EXACTLY THE SAME AS THAT STATED IN THE APPLICANT'S CERTIFICATE OF INCORPORATION.

No acknowledgement of the receipt of the Application Form or Application monies will be made by our Company and / or MIH.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.4.1 Terms and Conditions for Applications using the White and Pink Application Forms

Applications by way of White and Pink Application Forms shall be made on, and subject to, the terms and conditions set out below:-

- (i) Applicant who is an individual must be a Malaysian citizen residing in Malaysia, with a CDS account and a Malaysian address (White Application Forms only).

Applicant who is an individual must have a correspondence address in Malaysia with CDS account (Pink Application Forms only).

- (ii) Applicants which are corporations / institutions incorporated in Malaysia must have a CDS account and be subject to the following:-

a. If the corporation / institution has a share capital, more than half of the issued share capital (excluding preference share capital) is held by Malaysian citizens; and

b. There is majority of Malaysian citizens on the board of directors / trustee.

Applicants which are corporations / institutions incorporated outside Malaysia must have a CDS account and provide a correspondence address in Malaysia (Pink Application Forms only).

- (iii) Applicant which is a superannuation, co-operative, foundation, provident or pension fund must be established or operating in Malaysia and has a CDS account.

- (iv) Applications will not be accepted from trustees, any person under 18 years of age, sole proprietorships, partnerships or other incorporated bodies or associations, other than corporations / institutions referred to in Sections 16.4.1(ii) and (iii) above or the trustees thereof.

- (v) Application for the Shares must be made on the respective Application Forms issued together with this Prospectus and must be completed in accordance with the notes and instructions printed on the reverse side of the Application Form and this Prospectus. In accordance with Section 232 of the CMSA, the Application Form together with the notes and instructions printed therein is accompanied by this Prospectus. Applications which **do not STRICTLY** conform to the terms of this Prospectus or Application Form or notes and instructions printed therein or which are illegible will not be accepted.

- (vi) EACH COMPLETED APPLICATION FORM MUST BE ACCOMPANIED BY REMITTANCE IN RINGGIT MALAYSIA FOR THE FULL AMOUNT PAYABLE BY EITHER:-

- BANKER'S DRAFT OR CASHIER'S ORDER PURCHASED WITHIN MALAYSIA ONLY AND DRAWN ON A BANK IN KUALA LUMPUR (DIFFERENTIATED BY A SPECIAL RED BAND FOR BUMIPUTERA APPLICANTS); OR
- MONEY ORDER OR POSTAL ORDER (FOR APPLICANTS FROM SABAH AND SARAWAK ONLY); OR
- GUARANTEED GIRO ORDER (GGO) FROM BANK SIMPANAN NASIONAL MALAYSIA BERHAD (DIFFERENTIATED BY A SPECIAL RED BAND FOR BUMIPUTERA APPLICANTS); OR

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- ATM STATEMENT OBTAINED ONLY FROM:-
 - AFFIN BANK BERHAD;
 - ALLIANCE BANK MALAYSIA BERHAD;
 - AMBANK (M) BERHAD;
 - CIMB BANK BERHAD;
 - HONG LEONG BANK BERHAD;
 - MALAYAN BANKING BERHAD; OR
 - RHB BANK BERHAD

AND MUST BE MADE OUT IN FAVOUR OF "MIH SHARE ISSUE ACCOUNT NO. 526" AND CROSSED "A/C PAYEE ONLY" (EXCLUDING ATM STATEMENTS) AND ENDORSED ON THE REVERSE SIDE WITH THE NAME AND ADDRESS OF THE APPLICANT.

APPLICATIONS ACCOMPANIED BY MODE OF PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES OR INAPPROPRIATE BANKER'S DRAFTS / CASHIER'S ORDERS / MONEY ORDERS OR POSTAL ORDER / ATM STATEMENT / GGO WILL NOT BE ACCEPTED. DETAILS OF REMITTANCES MUST BE COMPLETED IN THE APPROPRIATE BOXES PROVIDED ON THE APPLICATION FORMS.

- (vii) AN APPLICANT MUST STATE HIS CDS ACCOUNT NUMBER IN THE SPACE PROVIDED IN THE APPLICATION FORM AND HE SHALL BE DEEMED TO HAVE AUTHORISED BURSA DEPOSITORY TO DISCLOSE INFORMATION PERTAINING TO THE CDS ACCOUNT TO MIH / COMPANY.
- (viii) THE NAME AND ADDRESS OF THE APPLICANT MUST BE WRITTEN ON THE REVERSE SIDE OF THE BANKER'S DRAFT, CASHIER'S ORDER, ATM STATEMENT, MONEY ORDER OR POSTAL ORDER OR GGO FROM BANK SIMPANAN NASIONAL MALAYSIA BERHAD.
- (ix) The Board reserves the right to require any successful applicant to appear in person at the registered office of MIH within 14 days of the date of the notice issued to him to ascertain the regularity or propriety of the Application. The Board shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by the successful applicant for the purpose of complying with this provision.
- (x) MIH, on the authority of the Board reserves the right to reject Applications which do not conform to these instructions or which are illegible or which are accompanied by remittances improperly drawn.
- (xi) MIH, on the authority of the Board reserves the right not to accept any Application or accept any Application in part only without assigning any reason therefor. Due consideration will be given to the desirability of allotting or allocating the shares to a reasonable number of applicants with a view to establishing an adequate market for the shares.
- (xii) Where an Application is not accepted or accepted in part only, the full amount or the balance of the Application monies, as the case may be, without interest, will be returned and despatched to the applicant within 10 Market Days from the date of the final ballot of the Applications lists by ordinary post at the applicant's address last maintained with Bursa Depository or where the application is not accepted due to the applicant not having provided a CDS account, to the address per the National Registration Identity Card or "Resit Pengenalan Sementara (JPN KP 09)" or any valid temporary identity document as issued by the National Registration Department from time to time at the applicant's own risk.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (xiii) The applicant shall ensure that his / her personal particulars stated in the Application Form are identical with the records maintained by Bursa Depository. The applicant must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allocation will be sent to his / her registered or correspondence address last maintained with Bursa Depository.
- (xiv) MIH, on the authority of the Board reserves the right to bank in all Application monies from unsuccessful applicants and partially successful applicants, which would subsequently be refunded without interest by registered post.
- (xv) Each completed Application Form accompanied by the appropriate remittance and legible photocopy of the relevant documents must be despatched by **ORDINARY POST** in the official envelopes provided, to the following address:-

Malaysian Issuing House Sdn Bhd
 Level 6, Symphony House
 Pusat Dagangan Dana 1
 Jalan PJU 1A/46
 47301 Petaling Jaya
 Selangor Darul Ehsan
 P.O. Box 8269
 Pejabat Pos Kelana Jaya
 46785 Petaling Jaya

or **DELIVERED BY HAND AND DEPOSITED** in the Drop-in Boxes provided at the front portion of Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, so as to arrive not later than 5.00 p.m. on 10 February 2012 or for such further period or periods as the Board, Promoters and / or Offeror of our Company together with the Managing Underwriter in their absolute discretion may mutually decide.

- (xvi) Directors and employees of MIH and their immediate families are strictly prohibited from applying for the Shares.
- (xvii) PLEASE DIRECT ALL ENQUIRIES IN RESPECT OF THE WHITE APPLICATION FORM TO MIH.

16.5 APPLICATIONS USING ELECTRONIC SHARE APPLICATION

- (i) **Steps for Electronic Share Application through a Participating Financial Institution's ATM**
 - (a) Applicant must have an account with a Participating Financial Institution (as detailed in Section 16.5(ii) below) and an ATM card issued by that Participating Financial Institution to access the account.
 - (b) Applicant must have a CDS account.
 - (c) Applicant is to apply for the Shares, via the ATM of the Participating Financial Institution by choosing the Electronic Share Application option. Mandatory statements required in the application are set out in Section 16.5(ii) below under the Terms and Conditions for Electronic Share Application. Applicant is to enter at least the following information through the ATM where the instructions on the ATM screen at which he enters his Electronic Share Application requires him to do so:-

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- Personal Identification Number (PIN);
- MIH Share Issue Account No. 526;
- CDS Account Number;
- Number of Shares, applied for and / or the Ringgit Malaysia amount to be debited from the account; and
- Confirmation of several mandatory statements.

(ii) Terms and Conditions for Electronic Share Application

The procedures for Electronic Share Application at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions (the “Steps”). For illustration purposes, the procedures for Electronic Share Application at ATMs are set out in “Steps for Electronic Share Application through a Participating Financial Institution’s ATM” in Section 16.5(i) above. The Steps set out the actions that the applicant must take at the ATM to complete an Electronic Share Application. Please read carefully the terms of this Prospectus, the Steps and the terms and conditions for Electronic Share Application set out below before making an Electronic Share Application.

Only an applicant who is an individual with a CDS Account is eligible to utilise the facility.

The applicant must have an existing bank account with, and be an ATM cardholder of, one of the Participating Financial Institutions before he can make an Electronic Share Application at an ATM of that Participating Financial Institutions. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for shares at an ATM belonging to other Participating Financial Institutions. Upon completion of his Electronic Share Application transaction, the applicant will receive a computer-generated transaction slip (Transaction Record), confirming the details of his Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or MIH. The Transaction Record is for retention by the applicant and should not be submitted with any Application Form.

Upon the closing of the offer for the Application for the Shares, on 10 February 2012, at 5.00 p.m. or for such further period or periods as the Directors, Promoters and / or Offeror of our Company together with the Managing Underwriter in their absolute discretion may mutually decide (“Closing Date and Time”), the Participating Financial Institution shall submit a magnetic tape containing its respective customers’ applications for the Shares to MIH as soon as practicable but not later than 12.00 p.m. of the 2nd business day after the Closing Date and Time.

An applicant will be allowed to make an Electronic Share Application for shares via an ATM that accepts the ATM cards of the Participating Financial Institution with which he has an account and its branches, subject to the applicant making only one Application. An applicant who has a bank account with a Participating Financial Institution and has been issued an ATM card will be allowed to apply for shares via an ATM of that Participating Financial Institution which is situated in another country or place outside of Malaysia, subject to the applicant making only one Application.

AN APPLICANT MUST ENSURE THAT HE USES HIS OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. AN APPLICANT OPERATING A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTION MUST ENSURE THAT HE ENTERS HIS OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO HIM IN HIS OWN NAME. HIS APPLICATION WILL BE REJECTED IF HE FAILS TO COMPLY WITH THE FOREGOING CONDITIONS.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

The Electronic Share Application shall be made on, and subject to, the terms and conditions contained herein as well as the terms and conditions set out below:-

- (a) The Electronic Share Application shall be made in connection with and subject to the terms of this Prospectus and the Memorandum and Articles of Association of our Company.
- (b) The applicant is required to confirm the following statement (by depressing predesignated keys or buttons on the ATM keyboard) and undertake that the following information given is true and correct:-
 - I have attained 18 years of age as at the Closing Date of the application for the IPO Shares;
 - I am a Malaysian citizen residing in Malaysia;
 - I have read the relevant Prospectus and understood and agreed with the terms and conditions of this Application;
 - This is the only Application that I am submitting; and
 - I hereby give consent to the Participating Financial Institution and Bursa Depository to disclose information pertaining to myself and my account with the Participating Financial Institution and Bursa Depository to MIH and other relevant authorities.

The Application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless the applicant completes all the steps required by the Participating Financial Institution. By doing so, the applicant shall be treated as signifying his confirmation of each of the above statements as well as giving consent in accordance with the relevant laws of Malaysia including Section 97 of the Banking and Financial Institutions Act, 1989 and Section 45 of the Securities Industry (Central Depositories) Act, 1991 to the disclosure by the relevant Participating Financial Institution or Bursa Depository, as the case may be, of any of the applicant's particulars to MIH, or any relevant regulatory bodies.

- (c) THE APPLICANT CONFIRMS THAT HE IS NOT APPLYING FOR SHARES AS NOMINEE OF ANY OTHER PERSONS AND THAT ANY ELECTRONIC SHARE APPLICATION THAT HE MAKES IS MADE BY HIM AS BENEFICIAL OWNER. THE APPLICANT SHALL ONLY MAKE ONE ELECTRONIC SHARE APPLICATION AND SHALL NOT MAKE ANY OTHER APPLICATION FOR THE SHARES WHETHER AT THE ATMS OF ANY PARTICIPATING FINANCIAL INSTITUTION OR ON THE PRESCRIBED APPLICATION FORMS OR VIA INTERNET SHARE APPLICATION.
- (d) The applicant must have sufficient funds in his account with the relevant Participating Financial Institution at the time he makes his Electronic Share Application, failing which his Electronic Share Application will not be completed. Any Electronic Share Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Share Application is being made will be rejected.

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16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (e) The applicant agrees and undertakes to subscribe for or purchase and to accept the number of Shares applied for as stated on the Transaction Record or any lesser number of Shares that may be allotted or allocated to him in respect of his Electronic Share Application. In the event that our Company decides to allot or allocate any lesser number of Shares or not to allot or allocate any Shares to the applicant, the applicant agrees to accept any such decision as final. If the applicant's Electronic Share Application is successful, his confirmation (by his action of pressing the designated key or button on the ATM) of the number of Shares applied for shall signify, and shall be treated as, his acceptance of the number of Shares that may be allotted or allocated to him and to be bound by the Memorandum and Articles of Association of our Company.
- (f) MIH, on the authority of our Directors reserves the right to reject any Electronic Share Application or accept any Electronic Share Application in part only without assigning any reason therefor. Due consideration will be given to the desirability of allotting or allocating the shares to a reasonable number of applicants with a view to establishing an adequate market for the shares.
- (g) Where an Electronic Share Application is not successful or successful in part only, the relevant Participating Financial Institution will be informed of the non-successful or partially successful Application. Where the Electronic Share Application is not successful, the relevant Participating Financial Institution will credit the full amount of the Application monies without interest into the applicant's account with that Participating Financial Institution within 2 Market Days after the receipt of confirmation from MIH. MIH shall inform the Participating Financial Institutions of the non-successful or partially successful Applications within 2 Market Days after the balloting date. The applicants may check their accounts on the fifth Market Day from the balloting day.

Where an Electronic Share Application is accepted in part only, the relevant Participating Financial Institution will credit the balance of the application monies without interest into the applicant's account with the Participating Financial Institution within 2 Market Days after the receipt of confirmation from MIH. A number of Applications will, however, be held in reserve to replace any successfully balloted Applications which are subsequently rejected. For such Applications which are subsequently rejected, the Application monies without interest will be refunded to applicants by MIH by way of cheques issued by MIH. The cheques will be issued to the applicants not later than 10 Market Days from the day of the final ballot of the Application list. Should applicants encounter any problems in their Applications, they may refer to the Participating Financial Institutions.

- (h) The applicant requests and authorises our Company:-
- to credit the Shares allotted or allocated to the applicant into the CDS account of the applicant; and
 - to issue share certificate(s) representing such Shares allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
- (i) The applicant, acknowledging that his Electronic Share Application is subject to the risks of electrical, electronic, technical and computer-related faults and breakdowns, fires and other events beyond the control of our Company, MIH or the Participating Financial Institution, irrevocably agrees that if:-

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- our Company or MIH does not receive the applicant's Electronic Share Application; or
- data relating to the applicant's Electronic Share Application is wholly or partially lost, corrupted or not otherwise accessible, or not transmitted or communicated to our Company or MIH,

the applicant shall be deemed not to have made an Electronic Share Application and the applicant shall not claim whatsoever against our Company, MIH or the Participating Financial Institutions for the shares applied for or for any compensation, loss or damage.

- (j) All particulars of the applicant in the records of the relevant Participating Financial Institution at the time he makes his Electronic Share Application shall be deemed to be true and correct and our Company, MIH and the relevant Participating Financial Institution shall be entitled to rely on the accuracy thereof.
- (k) The applicant shall ensure that his personal particulars as recorded by both Bursa Depository and relevant Participating Financial Institution are correct and identical. Otherwise, his Electronic Share Application will be rejected. The applicant must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allotment or allocation will be sent to his registered or correspondence address last maintained with Bursa Depository.
- (l) By making and completing an Electronic Share Application, the applicant agrees that:-
 - (a) in consideration of our Company agreeing to allow and accept the making of any Application for shares via the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, his Electronic Share Application is irrevocable;
 - (b) our Company, the Participating Financial Institutions, Bursa Depository and MIH shall not be liable for any delays, failures or inaccuracies in the processing of data relating to his Electronic Share Application to our Company due to a breakdown or failure of transmission or communication facilities or to any cause beyond their control;
 - (c) notwithstanding the receipt of any payment by or on behalf of our Company, the acceptance of the offer made by the applicant to subscribe for and purchase Shares for which the applicant's Electronic Share Application has been successfully completed shall be constituted by the issue of notices of successful allotment for prescribed securities, in respect of the said shares;
 - (d) the applicant irrevocably authorises Bursa Depository to complete and sign on his behalf as transferee or renounee any instrument of transfer and / or other documents required for the issue or transfer of the Shares allotted or allocated to the applicant; and
- (m) our Company agrees that, in relation to any legal action or proceedings arising out of or in connection with the contract between the parties and / or the Electronic Share Application and / or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that our Company irrevocably submits to the jurisdiction of the Courts of Malaysia.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (n) The Board reserves the right to require any successful applicant to appear in person at the registered office of MIH within 14 days of the date of the notice issued to him to ascertain the regularity or propriety of the Application. The Board shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by the successful applicant for the purpose of complying with this provision.
- (o) MIH, on the authority of the Board reserves the right to reject applications which do not conform to these instructions.
- (p) Electronic Share Applications may be made through an ATM of the following Participating Financial Institutions and their branches:-
- AFFIN BANK BERHAD; OR
 - AMBANK (M) BERHAD; OR
 - CIMB BANK BERHAD; OR
 - HSBC BANK MALAYSIA BERHAD; OR
 - MALAYAN BANKING BERHAD; OR
 - OCBC BANK (MALAYSIA) BERHAD; OR
 - PUBLIC BANK BERHAD; OR
 - RHB BANK BERHAD; OR
 - STANDARD CHARTERED BANK MALAYSIA BERHAD (at selected branches only)
- (q) The following processing fee per Electronic Share Application will be charged by the respective Participating Financial Institutions:-
- Affin Bank Berhad – No fee will be charged for application by their account holders;
 - AmBank (M) Berhad – RM1.00;
 - CIMB Bank Berhad – RM2.50;
 - HSBC Bank Malaysia Berhad – RM2.50;
 - Malayan Banking Berhad – RM1.00;
 - OCBC Bank Berhad – RM2.50;
 - Public Bank Berhad – RM2.00;
 - RHB Bank Berhad – RM2.50; or
 - Standard Chartered Bank Malaysia Berhad (at selected branches only) – RM2.50

16.6 APPLICATIONS USING INTERNET SHARE APPLICATION**(I) Steps for Internet Share Application**

The exact steps for Internet Share Application in respect of the IPO Shares are as set out on the Internet financial services website of the Internet Participating Financial Institutions.

For illustration purposes only, the steps for an application for the IPO Shares via Internet Share Application may be as set out below. The steps set out the actions that the applicant must take at the Internet financial services website of the Internet Participating Financial Institution to complete an Internet Share Application.

YOU MUST HAVE A CDS ACCOUNT BEFORE YOU CAN MAKE ANY APPLICATION FOR THE IPO SHARES. PLEASE NOTE THAT THE ACTUAL STEPS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS MAY DIFFER FROM THE STEPS OUTLINED BELOW.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (a) Connect to the Internet financial services website of the Internet Participating Financial Institution with which the applicant has an account.
- (b) Login to the Internet financial services facility by entering the applicant's user identification and PIN / password.
- (c) Navigate to the section of the website on applications in respect of initial public offerings.
- (d) Select the counter in respect of the IPO Shares to launch the Electronic Prospectus and the terms and conditions of the Internet Share Application.
- (e) Select the designated hyperlink on the screen to accept the abovementioned terms and conditions, having read and understood such terms and conditions.
- (f) At the next screen, complete the online application form.
- (g) Check that the information contained in the online application form such as the share counter, NRIC number, CDS account number, number of IPO Shares applied for and the account number to debit are correct, and select the designated hyperlink on the screen to confirm and submit the online application form.
- (h) By confirming such information, the applicant also undertakes that the following information given are true and correct:-
 - (i) The applicant has attained 18 years of age as at the Closing Date of the application for the IPO Shares;
 - (ii) The applicant is a Malaysian citizen residing in Malaysia;
 - (iii) The applicant has, prior to making the Internet Share Application, received and / or has had access to a printed / electronic copy of this Prospectus, the contents of which the applicant has read and understood;
 - (iv) The applicant agrees to all the terms and conditions of the Internet Share Application as set out in this Prospectus and has carefully considered the risk factors set out in this Prospectus, in addition to all other information contained in this Prospectus before making the Internet Share Application for the IPO shares;
 - (v) The Internet Share Application is the only application that the applicant is submitting for the IPO Shares;
 - (vi) The applicant authorises the Authorised Financial Institution to deduct the full amount payable for the IPO Shares from the applicant's account with the Authorised Financial Institution;
 - (vii) The applicant gives express consent in accordance with the relevant laws of Malaysia (including but not limited to Section 99 of the Banking and Financial Institutions Act, 1989 and Section 45 of the Securities Industry (Central Depositories) Act, 1991) to the disclosure by the Internet Participating Financial Institution, the Authorised Financial Institution and / or Bursa Depository, as the case may be, of information pertaining to the applicant, the Internet Share Application made by the applicant or the applicant's account with the Internet Participating Financial Institution, to MIH and the Authorised Financial Institution, the SC and any other relevant authority;

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (viii) The applicant is not applying for the IPO Shares as a nominee of any other person and the application is made in the applicant's own name, as beneficial owner and subject to the risks referred to in this Prospectus;
- (ix) The applicant authorises the Internet Participating Financial Institution to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, our Company or other relevant parties in connection with the IPO, all information relating to the applicant if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution, necessary for the provision of the Internet Share Applications services or if such disclosure is requested or required in connection with the IPO. Further, the Internet Participating Financial Institution will take reasonable precautions to preserve the confidentiality of information relating to the applicant furnished by the applicant to the Internet Participating Financial Institution in connection with the use of the Internet Share Applications services;
- (i) Upon submission of the online application form, the applicant will be linked to the website of the Authorised Financial Institution to effect the online payment of the application money for the IPO.
- (j) As soon as the transaction is completed, a message from the Authorised Financial Institution pertaining to the payment status will appear on the screen of the website through which the online payment of the application money is being made.
- (k) Subsequent to the above, the Internet Participating Financial Institution shall confirm that the Internet Share Application has been completed, via the Confirmation Screen on its website.
- (l) The applicant is advised to print out the Confirmation Screen for reference and retention.
- (II) Terms and Conditions for Internet Share Application**

Applications for the IPO Shares may be made through the Internet financial services website of the Internet Participating Financial Institutions.

APPLICANTS ARE ADVISED NOT TO APPLY FOR THE IPO SHARES THROUGH ANY WEBSITE OTHER THAN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS.

Internet Participating Financial Institution

Internet Share Applications may be made through the Internet financial services websites of the following Internet Participating Financial Institutions:-

- CIMB Investment Bank Berhad at www.eipocimb.com; or
- CIMB Bank Berhad at www.cimbclicks.com.my; or
- Malayan Banking Berhad at www.maybank2u.com.my; or
- Affin Bank Berhad at www.affinOnline.com; or
- RHB Bank Berhad at www.rhb.com.my; or
- Public Bank Berhad at www.pbebank.com

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

PLEASE READ THE TERMS OF THIS PROSPECTUS, THE TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATIONS SET OUT HEREIN AND THE STEPS FOR INTERNET SHARE APPLICATIONS SET OUT HEREIN CAREFULLY PRIOR TO MAKING AN INTERNET SHARE APPLICATION.

THE EXACT TERMS AND CONDITIONS AND ITS SEQUENCE FOR INTERNET SHARE APPLICATIONS IN RESPECT OF THE IPO SHARES ARE AS SET OUT ON THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS.

PLEASE NOTE THAT THE ACTUAL TERMS AND CONDITIONS OUTLINED BELOW SUPPLEMENT THE ADDITIONAL TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS.

An Internet Share Application shall be made on and shall be subject to the terms and conditions set out herein:-

- (i) An applicant making an Internet Share Application shall:-
 - (a) be an individual with a CDS Account and in the case of a joint account an individual CDS account registered in the applicant's name which is to be used for the purpose of the application if the applicant is making the application instead of a CDS account registered in the joint account holder's name;
 - (b) have an existing account with access to Internet financial services facilities with an Internet Participating Financial Institution. Applicant must have ready their user identification (User ID) and Personal Identification Numbers (PIN) / password for the relevant Internet financial services facilities; and
 - (c) be a Malaysian citizen and have a mailing address in Malaysia.

Applicants are advised to note that a User ID and PIN / password issued by one of the Internet Participating Financial Institutions cannot be used to apply for the IPO Shares at Internet financial service websites of other Internet Participating Financial Institutions.

- (ii) An Internet Share Application shall be made on and shall be subject to the terms of this Prospectus and our Company's Memorandum and Articles of Association.
- (iii) The applicant is required to confirm the following statements (by selecting the designated hyperlink on the relevant screen of the Internet financial services website of the Internet Participating Financial Institution) and to undertake that the following information given are true and correct:-
 - (a) The applicant has attained 18 years of age as at the date of the application for the IPO Shares;
 - (b) The applicant is a Malaysian citizen residing in Malaysia;
 - (c) The applicant has, prior to making the Internet Share Application, received and / or has had access to a printed / electronic copy of this Prospectus, the contents of which the applicant has read and understood;

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (d) The applicant agrees to all the terms and conditions of the Internet Share Application as set out in this Prospectus and has carefully considered the risk factors set out in this Prospectus, in addition to all other information contained in this Prospectus before making the Internet Share Application for the IPO;
 - (e) The Internet Share Application is the only application that the applicant is submitting for the IPO Shares;
 - (f) The applicant authorises the Internet Participating Financial Institution or the Authorised Financial Institution to deduct the full amount payable for the IPO Shares from the applicant's account with the Internet Participating Financial Institution or the Authorised Financial Institution;
 - (g) The applicant gives express consent in accordance with the relevant laws of Malaysia (including but not limited to Section 99 of the Banking and Financial Institutions Act, 1989 and Section 45 of the Securities Industry (Central Depositories) Act, 1991) to the disclosure by the Internet Participating Financial Institution, the Authorised Financial Institution and / or Bursa Depository, as the case may be, of information pertaining to the applicant, the Internet Share application made by the applicant or the applicant's account with the Internet Participating Financial Institution, to MIH and the Authorised Financial Institution, the SC and any other relevant authority;
 - (h) The applicant is not applying for the IPO Shares as a nominee of any other person and the application is made in the applicant's own name, as beneficial owner and subject to the risks referred to in this Prospectus; and
 - (i) The applicant authorises the Internet Participating Financial Institution to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, our Company or other relevant parties in connection with the IPO, all information relating to the applicant if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution, necessary for the provision of the Internet Share Application services or if such disclosure is requested or required in connection with the IPO. Further, the Internet Participating Financial Institution will take reasonable precautions to preserve the confidentiality of information relating to the applicant furnished by the applicant to the Internet Participating Financial Institution in connection with the use of the Internet Share Application services.
- (iv) The application will not be successfully completed and cannot be recorded as a completed application unless the applicant has completed all relevant application steps and procedures for the Internet Share Application which would result in the Internet financial services website displaying the Confirmation Screen.

For the purposes of this Prospectus, "Confirmation Screen" shall mean the screen which appears or is displayed on the Internet financial services website, which confirms that the Internet Share Application has been completed and states the details of the applicant's Internet Share Application, including the number of IPO Shares applied for which can be printed out by the applicant for his records.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Upon the display of the Confirmation Screen, the applicant shall be deemed to have confirmed the truth of the statements set out in Section 16.6(II)(iii) herein.

- (v) The applicant must have sufficient funds in the applicant's account with the Internet Participating Financial Institution or the Authorised Financial Institution at the time of making the Internet Share Application, to cover and pay for the IPO Shares and the related processing fees, charges and expenses, if any, to be incurred, failing which the Internet Share Application will not be deemed complete, notwithstanding the display of the Confirmation Screen. Any Internet Share Application which does not conform strictly to the instructions set out in this Prospectus or any instructions displayed on the screens of the Internet financial services website through which the Internet Share Application is made shall be rejected.
- (vi) The applicant irrevocably agrees and undertakes to subscribe for and to accept the number of IPO Shares applied for as stated on the Confirmation Screen or any lesser number of IPO Shares that may be allotted to the applicant in respect of the Internet Share Application. In the event that our Company decides to allot any lesser number of such IPO Shares or not to allot any IPO Shares to the applicant, the applicant agrees to accept any such decision of our Company as final.

In the course of completing the Internet Share Application on the website of the Internet Participating Financial Institution, the confirmation by the applicant of the number of IPO Shares applied for (by way of the applicant's action of clicking the designated hyperlink on the relevant screen of the website) shall be deemed to signify and shall be treated as:-

- (a) acceptance by the applicant of the number of IPO Shares that may be allotted or allocated to the applicant in the event that the applicant's Internet Share Application is successful or successful in part, as the case may be; and
 - (b) The applicant's agreement to be bound by the Memorandum and Articles of Association of our Company.
- (vii) The applicant is fully aware that multiple or suspected multiple Internet Share Applications for the IPO Shares of our Company will be rejected. Our Company reserves the right to reject any Internet Share Application or accept any Internet Share Application in part only without assigning any reason therefor. Due consideration will be given to the desirability of allotting or allocating the IPO Shares to a reasonable number of applicants with a view to establishing an adequate market for the shares.
 - (viii) Where an Internet Share Application is unsuccessful or successful in part only, the Internet Participating Financial Institution will be informed of the unsuccessful or partially successful Internet Share Application. Where an Internet Share Application is unsuccessful, the Internet Participating Financial Institution will credit or arrange with the Authorised Financial Institution to credit the full amount of the application monies in Ringgit Malaysia (without interest or any share of revenue or other benefit arising therefrom) into the applicant's account with the Internet Participating Financial Institution or the Authorised Financial Institution within 2 Market Days after receipt of written confirmation from MIH.

MIH shall inform the Internet Participating Financial Institution of unsuccessful or partially successful applications within 2 Market Days from the balloting date.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Where the Internet Share Application is accepted in part only, the relevant Internet Participating Financial Institution will credit the balance of the application monies in Ringgit Malaysia (without interest or any share of revenue or other benefit arising therefrom) into the applicant's account with the Internet Participating Financial Institution within 2 Market Days after receipt of written confirmation from MIH. A number of applications will however be held in reserve to replace any successfully balloted applications that are subsequently rejected. In respect of such applications that are subsequently rejected, the application monies (without interest or any share of revenue or other benefit arising therefrom) will be refunded to applicants by MIH by way of cheques issued by MIH. The cheques will be issued to the applicants within 10 Market Days from the day of the final ballot of the Applications list.

For applications that are held in reserve and are subsequently unsuccessful (or only partly successful), the Internet Participating Financial Institution will credit the application money (or any part thereof but without interest or any share of revenue or other benefit arising therefrom) into the applicant's account within 2 Market Days after receipt of written confirmation from MIH.

Except where MIH is required to refund application monies, it is the sole responsibility of the Internet Participating Financial Institution to ensure the timely refund of application monies from unsuccessful or partially successful Internet Share Applications. Therefore, applicants are strongly advised to consult the Internet Participating Financial Institution through which the application was made in respect of the mode or procedure of enquiring on the status of an applicant's Internet Share Application in order to determine the status or exact number of IPO Shares allotted, if any, before trading the IPO Shares on Bursa Securities.

- (ix) Internet Share Applications will be closed at 5.00 p.m. on 10 February 2012 or for such further period or periods as the Directors, Promoters and / or Offeror of our Company together with the Managing Underwriter in their absolute discretion may mutually decide. An Internet Share Application is deemed to be received only upon its completion, that is when the Confirmation Screen is displayed on the Internet financial services website. Applicants are advised to print out and retain a copy of the Confirmation Screen for record purposes. Late Internet Share Applications will not be accepted.
- (x) The applicant irrevocably agrees and acknowledges that the Internet Share Application is subject to risk of electrical, electronic, technical and computer-related faults and breakdowns, faults with computer software, problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires, acts of God and other events beyond the control of the Internet Participating Financial Institution, the Authorised Financial Institution and our Company. If, in any such event, our Company, MIH and / or the Internet Participating Financial Institution and / or the Authorised Financial Institution do not receive the applicant's Internet Share Application and / or the payment therefor, or in the event that any data relating to the Internet Share Application or the tape or any other devices containing such data is lost, corrupted, destroyed or otherwise not accessible, whether wholly or partially and for any reason whatsoever, the applicant shall be deemed not to have made an Internet Share Application and the applicant shall have no claim whatsoever against our Company, MIH or the Internet Participating Financial Institution and the Authorised Financial Institution in relation to the IPO Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (xi) All particulars of the applicant in the records of the relevant Internet Participating Financial Institution at the time of the Internet Share Application shall be deemed to be true and correct, and our Company, the Internet Participating Financial Institutions, MIH and all other persons who, are entitled or allowed under the law to such information or where the applicant expressly consent to the provision of such information shall be entitled to rely on the accuracy thereof.

The applicant shall ensure that the personal particulars of the applicant as recorded by both Bursa Depository and the Internet Participating Financial Institution are correct and identical, otherwise the applicant's Internet Share Application is liable to be rejected. The notification letter on successful allotment will be sent to the applicant's address last registered with Bursa Depository. It is the responsibility of the applicant to notify the Internet Participating Financial Institution and Bursa Depository of any changes in the applicant's personal particulars that may occur from time to time.

- (xii) By making and completing an Internet Share Application, the applicant is deemed to have agreed that:-
- (a) In consideration of our Company making available the Internet Share Application facility to the applicant, through the Internet Participating Financial Institution acting as agents of our Company, the Internet Share Application is irrevocable;
 - (b) The applicant has irrevocably requested and authorised our Company to register the IPO Shares allotted to the applicant for deposit into the applicant's CDS Account;
 - (c) Neither our Company nor the Internet Participating Financial Institution shall be liable for any delay, failure or inaccuracy in the recording, storage or transmission or delivery of data relating to the Internet Share Application to MIH or Bursa Depository due to any breakdown or failure of transmission, delivery or communication facilities or due to any risk referred to in Section 3 of this Prospectus or to any cause beyond their control;
 - (d) The applicant shall hold the Internet Participating Financial Institution harmless from any damages, claims or losses whatsoever, as a consequence of or arising from any rejection of the applicant's Internet Share Application by MIH, our Company and / or the Internet Participating Financial Institution for reasons of multiple application, suspected multiple application, inaccurate and / or incomplete details provided by the applicant, or any other cause beyond the control of the Internet Participating Financial Institution;
 - (e) The acceptance of the offer made by the applicant to subscribe for the IPO Shares for which the applicant's Internet Share Application has been successfully completed shall be constituted by written notification in the form of the issue of a notice of allotment by or on behalf of our Company and not otherwise, notwithstanding the receipt of any payment by or on behalf of our Company;
 - (f) The applicant is not entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of the applicant's Internet Share Application by our Company;

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (g) In making the Internet Share Application, the applicant has relied solely on the information contained in this Prospectus. Our Company, the Managing Underwriter, Underwriters, the Adviser and any other person involved in the IPO shall not be liable for any information not contained in this Prospectus which may have been relied on by the applicant in making the Internet Share Application;
- (h) The acceptance of an applicant's Internet Share Application by our Company and the contract resulting therefrom under the IPO shall be governed by and construed in accordance with the laws of Malaysia, and the applicant irrevocably submits to the jurisdiction of the courts of Malaysia.
- (xiii) The following processing fee per Internet Share Application will be charged by the respective Internet Participating Financial Institution:-
 - (a) CIMB Investment Bank Berhad - RM2.00 for payment via CIMB Bank Berhad or Malayan Banking Berhad;
 - (b) CIMB Bank Berhad - RM2.00 for applicants with CDS accounts held with CIMB Investment Bank Berhad and RM2.50 for applicants with CDS accounts with other ADAs;
 - (c) Malayan Banking Berhad - RM1.00;
 - (d) No fee will be charged by Affin Bank Berhad for applications by their account holders;
 - (e) RHB Bank Berhad – RM2.50; and
 - (f) Public Bank Berhad – RM2.00

16.7 APPLICATION AND ACCEPTANCE

MIH, on the authority of the Board reserves the right not to accept any Application which does not strictly comply with the instructions or to accept any Application in part only without assigning any reason therefor.

The submission of an Application Form does not necessarily mean that the Application will be successful.

ALL APPLICATIONS MUST BE FOR 100 ORDINARY SHARES OR MULTIPLES THEREOF.

In the event of an over-subscription, acceptance of Applications by Malaysian Public shall be subject to ballot to be conducted in the manner approved by the Directors of our Company and on a fair and equitable basis. Due consideration will be given to the desirability of distributing the Shares, to a reasonable number of applicants with a view to broadening the shareholding base and establishing an adequate market in the shares of our Company. Pursuant to the listing requirements of Bursa Securities, at least 25% of the enlarged issued and paid-up share capital of our Company must be held by a minimum number of 1000 public shareholders holding not less than 100 shares each upon completion of the IPO and at the point of Listing. In the event that the above requirement is not met pursuant to the IPO, our Company may not be allowed to proceed with the Listing. In the event thereof, monies paid in respect of all Applications will be returned without interest if the said permission for listing and quotation is not granted. Applicants will be selected in a manner to be determined by the Directors of our Company.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

In the event of an under-subscription by the eligible Director, employees and business associates of our Group, such shares will be made available for Application by the Malaysian Public.

Directors and employees of MIH and their immediate families are strictly prohibited from applying for the Shares.

WHERE AN APPLICATION IS NOT ACCEPTED OR ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPATCHED BY ORDINARY POST OR REGISTERED POST RESPECTIVELY TO THE APPLICANT WITHIN 10 MARKET DAYS FROM THE DATE OF THE FINAL BALLOT OF THE APPLICATION LISTS AT THE ADDRESS REGISTERED WITH THE BURSA DEPOSITORY AT THE APPLICANT'S OWN RISK.

NO APPLICATION SHALL BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCES HAVING BEEN PRESENTED FOR PAYMENT.

MIH RESERVES THE RIGHT TO BANK IN ALL APPLICATION MONIES FROM UNSUCCESSFUL BUMIPUTERA APPLICANTS AND FROM PARTIALLY SUCCESSFUL APPLICANTS. REFUND MONIES IN RESPECT OF UNSUCCESSFUL BUMIPUTERA APPLICANTS WHOSE MONIES HAVE BEEN BANKED-IN AND PARTIALLY SUCCESSFUL APPLICANTS WILL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPATCHED TO THE APPLICANT WITHIN 10 MARKET DAYS FROM THE DATE OF THE FINAL BALLOT OF THE APPLICATION BY REGISTERED POST AT THE ADDRESS REGISTERED WITH THE BURSA DEPOSITORY AT THE APPLICANT'S OWN RISK.

16.8 CDS ACCOUNTS

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, Bursa Securities has prescribed the securities of our Company as Prescribed Securities. In consequence thereof, the Shares issued through this Prospectus will be deposited directly with Bursa Depository and any dealings in these shares will be carried out in accordance with aforesaid Act and Rules of Bursa Depository.

Following the above, in accordance with Section 29 of the Securities Industry (Central Depositories) Act, 1991, all dealings in Shares will be by book entries through CDS accounts. No share certificates will be issued to successful applicants.

Only an applicant who has a CDS account can make an Application by way of an Application Form. An applicant should state his CDS account number in the space provided on the Application Form and he / she shall be deemed to have authorised Bursa Depository to disclose information pertaining to the CDS account to MIH / our Company. Where an applicant does not presently have a CDS account, he / she should open a CDS account at an ADA prior to making an Application for the Shares.

In the case of an Application by way of Electronic Share Application, only an applicant who has a CDS Account can make an Electronic Share Application. The applicant shall furnish his CDS account number to the Participating Financial Institution by way of keying in his CDS account number if the instructions on the ATM screen at which he enters his Electronic Share Application require him to do so.

In the case of an application by way of Internet Share Application, only an applicant who has a CDS Account can make an Internet Share Application. In certain cases, only an applicant who has a CDS account opened with the Internet Participating Financial Institution can make an Internet Share Application. Arising therewith, the applicant's CDS account number would automatically appear in the e-IPO online application form.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Failure to comply with these specific instructions or inaccuracy in the CDS account number, arising from use of invalid, third party or nominee accounts, may result in the Application being rejected. If a successful applicant fails to state his/her CDS account number, MIH on the authority of our Company will reject the Application. MIH on the authority of the Directors of our Company also reserves the right to reject any incomplete and inaccurate Application. Applications may also be rejected if the applicants' particulars provided in the Application Forms, or in the case of Electronic Share Application or Internet Share Application, if the records of the Participating Financial Institutions at the time of making the Electronic Share Application or Internet Share Application differ from those in Bursa Depository's records, such as the identity card number, name and nationality.

16.9 NOTICE OF ALLOTMENT

The Shares allotted to all successful or partially successful applicants will be credited to their respective CDS accounts. A notice of allotment will be despatched to the successful or partially successful applicant at his address last maintained with Bursa Depository at the applicant's own risk prior to the Listing of our Company. For Electronic Share Application or Internet Share Application, the notice of allotment will be despatched to the successful or partially successful applicant at his address last maintained with Bursa Depository at the applicant's own risk prior to the Listing of our Company. This is the only acknowledgement of acceptance of the Application.

All applicants must inform Bursa Depository of his / her updated address promptly by adhering to certain rules and regulation of Bursa Depository, failing which, the notification letter on successful allotment shall be sent to the applicant's address last maintained with Bursa Depository.

Applicants may also check the status of their application by logging on to the MIH website at www.mih.com.my or by calling their respective ADAs at the telephone number as stated in Section 16.10 or by calling MIH at (603) 7841 8000 or (603) 7841 8289, between 5 to 10 Market Days (during office hours only) after the balloting date.

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16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**16.10 LIST OF AUTHORISED DEPOSITORY AGENTS**

The list of the ADAs and their respective Broker codes are as follows:-

Name	Address and Telephone Number	Broker Code
<u>KUALA LUMPUR</u>		
A.A. ANTHONY SECURITIES SDN BHD	N3, Plaza Damas 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel No: 03-6201 1155	078-004
AFFIN INVESTMENT BANK BERHAD	Ground Mezzanine & 3rd Floor Chulan Tower No. 3 Jalan Conlay 50450 Kuala Lumpur Tel No.: 03-2143 8668	028-001
ALLIANCE INVESTMENT BANK BERHAD	17 th Floor, Menara Multi Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel No.: 03-26976333	076-001
AmINVESTMENT BANK BERHAD	15th Floor, Bangunan AmBank Group No. 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-2078 2788	086-001
BIMB SECURITIES SDN BHD	32nd Floor, Menara Multi-Purpose Capital Square No. 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel No.: 03-2691 8887	024-001
CIMB INVESTMENT BANK BERHAD	9th Floor, Commerce Square Jalan Semantan, Damansara Heights 50490 Kuala Lumpur Tel No.: 03-2084 9999	065-001
ECM LIBRA INVESTMENT BANK BERHAD	1 st Floor, Wisma Genting Jalan Sultan Ismail 50250 Kuala Lumpur Tel No.: 03-2178 1133	052-009
ECM LIBRA INVESTMENT BANK BERHAD	Bangunan ECM Libra 8, Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel No.:03-2089 1888	052-001
HONG LEONG INVESTMENT BANK BERHAD	Level 8, Menara HLA No.3, Jalan Kia Peng 50450 Kuala Lumpur Tel No.: 03-2168 1168	066-001

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
HWANGDBS INVESTMENT BANK BERHAD	2nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr. Ismail 60000 Kuala Lumpur Tel No.: 03-7710 6688	068-009
HWANGDBS INVESTMENT BANK BERHAD	Nos. 34-5, 36-5, 38-5, 40-5, 42-5 & 44-5 5th Floor, Cheras Commercial Centre Jalan 5/101C Off Jalan Kaskas, 5th Mile Cheras 56100 Kuala Lumpur Tel No.: 03-9130 3399	068-012
HWANGDBS INVESTMENT BANK BERHAD	7th, 22nd, 23rd & 23A Floor Menara Keck Seng 203 Jalan Bukit Bintang 55100 Kuala Lumpur Tel No.: 03-2711 6888	068-014
HWANGDBS INVESTMENT BANK BERHAD	No. 57-10 Level 10 The Boulevard, Mid Valley City Lingkar Syed Putra 59000 Kuala Lumpur Tel No.: 03-2287 2273	068-017
INTER-PACIFIC SECURITIES SDN BHD	West Wing, Level 13 Berjaya Times Square, No. 1, Jalan Imbi 55100 Kuala Lumpur Tel No.: 03-2117 1888	054-001
INTER-PACIFIC SECURITIES SDN BHD	Ground Floor, 7-0-8 Jalan 3/109F Danau Business Centre, Danau Desa 58100 Kuala Lumpur Tel No.: 03-7984 7796	054-003
INTER-PACIFIC SECURITIES SDN BHD	Stesyen Minyak SHELL Jalan 1/116B, Off Jalan Kuchai Lama Kuchai Entreprenuer Park 58200 Kuala Lumpur Tel No.: 03-7981 8811	054-005
JUPITER SECURITIES SDN BHD	7th-9th Floor, Menara Olympia No. 8, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-2034 1888	055-001
KENANGA INVESTMENT BANK BERHAD	8th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Tel No.: 03-2164 9080	073-001

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
KAF-SEAGROATT & CAMPBELL SECURITIES SDN BHD	11th - 14th Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel. No: 03-2168 8800	053-001
M & A SECURITIES SDN BHD	Level 1-2, No. 45 & 47 The Boulevard, Mid Valley City Lingkar Syed Putra 59200 Kuala Lumpur Tel No.: 03-2282 1820	057-002
MAYBANK INVESTMENT BANK BERHAD	5-13 Floor, MaybanLife Tower Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No.: 03-2297 8888	098-001
MERCURY SECURITIES SDN BHD	L-7-2, No.2 Jalan Solaris Solaris Mont' Kiara 50480 Kuala Lumpur Tel No.: 03-6203 7227	093-002
MIDF AMANAH INVESTMENT BANK BERHAD	11th & 12th Floor, Menara MIDF 82 Jalan Raja Chulan 50400 Kuala Lumpur Tel No.: 03-2173 8888	026-001
MIMB INVESTMENT BANK BERHAD	Level 18, Menara EON Bank 288 Jalan Raja Laut 50350 Kuala Lumpur Tel No.: 03-2691 0200	061-001
OSK INVESTMENT BANK BERHAD	20th Floor, Plaza OSK Jalan Ampang 50450 Kuala Lumpur Tel No.: 03-2333 8333	056-001
OSK INVESTMENT BANK BERHAD	No. 62 & 64, Vista Magna Jalan Prima, Metro Prima 52100 Kuala Lumpur Tel No.: 03-6257 5869	056-028
OSK INVESTMENT BANK BERHAD	Ground Floor No. M3-A-7 & M3-A-8 Jalan Pandan Indah 4/3A Pandan Indah 55100 Kuala Lumpur Tel No. 03-4280 4798	056-054
OSK INVESTMENT BANK BERHAD	Ground, 1st, 2nd & 3rd Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No: 03-9058 7222	056-058

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
PM SECURITIES SDN BHD	Ground, Mezzanine, 1st & 10th Floor Menara PMI No. 2, Jalan Changkat Ceylon 50200 Kuala Lumpur Tel No.: 03-2146 3000	064-001
PUBLIC INVESTMENT BANK BERHAD	27th Floor, Public Bank Building No.6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel No.: 03-2031 3011	051-001
RHB INVESTMENT BANK BERHAD	Level 9, Tower One RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-9287 3888	087-001
TA SECURITIES HOLDINGS BERHAD	Floor 13-16, 23, 28-30, 34 & 35 Menara TA One, No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No.: 03-2072 1277	058-003
SELANGOR DARUL EHSAN		
AFFIN INVESTMENT BANK BERHAD	2nd, 3rd & 4th Floor Wisma Amsteel Securities No. 1, Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-3343 9999	028-002
AFFIN INVESTMENT BANK BERHAD	Lot 229, 2 nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7729 8016	028-003
AMINVESTMENT BANK BERHAD	4th Floor, Plaza Damansara Utama No. 2, Jalan SS21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7710 6613	086-003
CIMB INVESTMENT BANK BERHAD	Ground Floor Tropicana City Office Tower 3 Jalan SS 20/27 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03 7717 3319	065-009
ECM LIBRA INVESTMENT BANK BERHAD	35 (Ground & 1st Floor) Jalan Tiara 3 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-3348 8080	052-015

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
HONG LEONG INVESTMENT BANK BERHAD	Level 10 1 First Avenue Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7724 6888	066-002
HWANGDBS INVESTMENT BANK BERHAD	16th, 18th-20th Floor, Plaza Masalam No. 2, Jalan Tengku Ampuan Zabedah E9/E Section 9 40100 Shah Alam Selangor Darul Ehsan Tel No.: 03-5513 3288	068-002
HWANGDBS INVESTMENT BANK BERHAD	East Wing & Centre Link Floor 3A, Wisma Consplant 2 No. 7, Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5635 6688	068-010
JF APEX SECURITIES BERHAD	6th Floor, Menara Apex Off Jalan Semenyih, Bukit Mewah 43000 Kajang Selangor Darul Ehsan Tel No.: 03-8736 1118	079-001
JF APEX SECURITIES BERHAD	15th & 16th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7620 1118	079-002
KENANGA INVESTMENT BANK BERHAD	Ground – Fifth Floor East Wing, Quattro West No. 4, Lorong Persiaran Barat 46200 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7862 6200	073-005
KENANGA INVESTMENT BANK BERHAD	1st Floor, Wisma UEP Pusat Perniagaan USJ 10 Jalan USJ 10/1A 47620 Subang Jaya Selangor Darul Ehsan Tel No.: 03-8024 1682	073-006
KENANGA INVESTMENT BANK BERHAD	Suite 7.02, Level 7, Menara ING Intan Millenium Square No. 68, Jalan Batai Laut 4 Taman Intan 41300 Klang Selangor Darul Ehsan Tel No.: 03-3005 7550	073-007

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
KENANGA INVESTMENT BANK BERHAD	Lot 240, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7725 9095	073-016
OSK INVESTMENT BANK BERHAD	24, 24M, 24A, 26M, 28M 28A & 30 Jalan SS 2/63 47300 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7873 6366	056-011
OSK INVESTMENT BANK BERHAD	No. 37, Jalan Semenyih 43000 Kajang Selangor Darul Ehsan Tel No.: 03-8736 3378	056-045
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor No. 15, Jalan Bandar Rawang 4 48000 Rawang Selangor Darul Ehsan Tel No.: 03-6092 8916	056-047
OSK INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-3343 9180	056-048
OSK INVESTMENT BANK BERHAD	3rd Floor, 1A-D Jalan USJ 10/1A Pusat Perniagaan USJ 10 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-8023 6518	056-063
OSK INVESTMENT BANK BERHAD	11-1, Jalan PJU 5/12 Dataran Sunway Kota Damansara 47810 Petaling Jaya Tel No.: 03-6148 3361	056-065
OSK INVESTMENT BANK BERHAD	Ground Floor and Saturday Floor No. 13 Jalan Kenari 3 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-8070 6899	056-066
PM SECURITIES SDN BHD	No. 157 & 159, Jalan Kenari 23/A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-8070 0773	064-003
PM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-3341 5300	064-007

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
SJ SECURITIES SDN BHD	Ground Floor, Podium Block Wisma Synergy Lot 72, Persiaran Jubli Perak Section 22 40200 Shah Alam Selangor Darul Ehsan Tel No.: 03-5192 0202	096-001
TA SECURITIES HOLDINGS BERHAD	No. 2-1, 2-2, 2-3 & 4-2 Jalan USJ 9/5T Subang Business Centre 47620 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-8025 1880	058-005
TA SECURITIES HOLDINGS BERHAD	Damansara Utama Branch 2 nd Floor, Wisma TA 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7729 5713	058-007
MELAKA		
CIMB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 191, Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel No.: 06-289 8800	065-006
ECM LIBRA INVESTMENT BANK BERHAD	71A & 73A, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-288 1720	052-008
ECM LIBRA INVESTMENT BANK BERHAD	22A & 22A - 1 and 26 & 26 - 1 Jalan MP 10 Taman Merdeka Permai 75350 Batu Berendam Melaka Tel No.: 06-337 2550	052-016
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM9 Plaza Pandan Malim (Business Park) Balai Panjang, P. O. Box 248 75250 Melaka Tel No.: 06-337 1533	012-001
MERCURY SECURITIES SDN BHD	No. 81B & 83B, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-292 1898	093-003
OSK INVESTMENT BANK BERHAD	579, 580 & 581 Taman Melaka Raya 75000 Melaka Tel No.: 06-282 5211	056-003
PM SECURITIES SDN BHD	No. 11 & 13, Jalan PM2 Plaza Mahkota 75000 Melaka Tel No.: 06-286 6008	064-006

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
RHB INVESTMENT BANK BERHAD	Lot 7-13 & 15, 1st Floor Tabung Haji Building Jalan Bandar Kaba 75000 Melaka Tel No.: 06-283 3622	087-002
PERAK DARUL RIDZUAN		
A.A. ANTHONY SECURITIES SDN BHD	29G, Jalan Intan 2 Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No.: 05-623 2328	078-009
CIMB INVESTMENT BANK BERHAD	Ground, No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-208 8688	065-010
ECM LIBRA INVESTMENT BANK BERHAD	No. 63 Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-242 2828	052-002
ECM LIBRA INVESTMENT BANK BERHAD	No. 7B-1, Jalan Laman Intan Bandar Baru Teluk Intan 36000 Teluk Intan Perak Darul Ridzuan Tel No.: 05-622 2828	052-006
ECM LIBRA INVESTMENT BANK BERHAD	Ground Floor No. 25 & 25A Jalan Jaya 2, Medan Jaya 32000 Sitiawan Perak Darul Ridzuan Tel No.: 05-693 9828	052-014
HWANGDBS INVESTMENT BANK BERHAD	Ground, Level 1, 2 & 3 No. 21, Jalan Stesen 34000 Taiping Perak Darul Ridzuan Tel No.: 05-806 6688	068-003
HWANGDBS INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 22, Persiaran Greentown 1 Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-255 9988	068-015
HONG LEONG INVESTMENT BANK BERHAD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-253 0888	066-003
M & A SECURITIES SDN BHD	M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No.: 05-241 9800	057-001

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
MAYBANK INVESTMENT BANK BERHAD	B-G-04 (Ground Floor) Level 1 & 2 No. 42 Persiaran Greentown 1 Pusat Perdagangan Greentown 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-245 3400	098-002
OSK INVESTMENT BANK BERHAD	21-25, Jalan Seenivasagam Greentown 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-241 5100	056-002
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor No. 17, Jalan Intan 2, Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No.: 05-623 6498	056-014
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor, No. 23 & 25 Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No.: 05-692 1228	056-016
OSK INVESTMENT BANK BERHAD	Ground Floor, No. 40, 42 & 44 Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel No.: 05-808 8229	056-034
OSK INVESTMENT BANK BERHAD	72, Ground Floor Jalan Idris 31900 Kampar Perak Darul Ridzuan Tel No.: 05-4651261	056-044
OSK INVESTMENT BANK BERHAD	Ground Floor No. 2, Jalan Wawasan 4 Taman Wawasan 34200 Parit Buntar Perak Darul Ridzuan Tel No.: 05-717 0888	056-052
TA SECURITIES HOLDINGS BERHAD	Ground, 1st & 2nd Floor Plaza Teh Teng Seng No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Tel No.: 05-253 1313	058-001
PULAU PINANG		
A.A. ANTHONY SECURITIES SDN BHD	1 st , 2nd & 3rd Floor Bangunan Heng Guan 171, Jalan Burmah 10050 Pulau Pinang Tel No.: 04-229 9318	078-002

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
A.A. ANTHONY SECURITIES SDN BHD	Ground & 1st Floor No. 2, Jalan Perniagaan 2 Pusat Perniagaan Alma 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-554 1388	078-003
ALLIANCE INVESTMENT BANK BERHAD	Suite 2.1 & 2.4, Level 2 Wisma Great Eastern No. 25, Lebu Light 10200 Penang Tel No.: 04-261 1688	076-015
AMINVESTMENT BANK BERHAD	Mezzanine Floor & Level 3 No. 37, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-226 1818	086-004
AMINVESTMENT BANK BERHAD	Level 3 No. 15, Lebu Pantai 10300 Pulau Pinang Tel No.: 04-261 8688	086-007
CIMB INVESTMENT BANK BERHAD	Ground Floor, Suite 1.01, Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-238 5900	065-003
ECM LIBRA INVESTMENT BANK BERHAD	No. 111, Jalan Macalister 10400 Pulau Pinang Tel No.: 04-228 1868	052-003
ECM LIBRA INVESTMENT BANK BERHAD	7th Floor, Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-228 3355	052-010
HWANGDBS INVESTMENT BANK BERHAD	Level 2, 3, 4, 7 & 8, Wisma Sri Pinang No. 60, Green Hall 10200 Pulau Pinang Tel No.: 04-263 6996	068-001
HWANGDBS INVESTMENT BANK BERHAD	No.2 & 4 Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-537 2882	068-006
INTER-PACIFIC SECURITIES SDN BHD	Ground, Mezzanine & 8th Floor Bangunan Mayban Trust No. 3, Penang Street 10200 Pulau Pinang Tel No.: 04-269 0888	054-002
KENANGA INVESTMENT BANK BERHAD	Lot 1.02, Level 1, Menara KWSP No. 38, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-210 6666	073-013

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
MERCURY SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd Floor Wisma UMNO Lorong Bagan Luar Dua 12000 Butterworth Pulau Pinang Tel No.: 04-332 2123	093-001
MERCURY SECURITIES SDN BHD	2nd Floor, Standard Chartered Bank Chambers 2 Lebu Pantai 10300 Pulau Pinang Tel No.: 04-263 9118	093-004
OSK INVESTMENT BANK BERHAD	64, Bishop Street 20E, 20F & 20G, Penang Street 10200 Pulau Pinang Tel No.: 04-263 4222	056-004
OSK INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Pulau Pinang Tel No.: 04-390 0022	056-005
OSK INVESTMENT BANK BERHAD	Ground & Upper Floor No. 11A, Jalan Keranji Off Jalan Padang Lallang 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-540 2888	056-015
OSK INVESTMENT BANK BERHAD	834 Jalan Besar, Sungai Bakap 14200 Sungai Jawi Seberang Perai Selatan Pulau Pinang Tel No.: 04-583 1888	056-032
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor No. 15-G-5, 15-G-6, 15-1-5 & 15-1-6 Medan Kampung Relau (Bayan Point) 11950 Pulau Pinang Tel No.: 04-640 4888	056-042
OSK INVESTMENT BANK BERHAD	41-A, 41-B and 41-C Lintang Angsana Bandar Baru Air Itam 11500 Pulau Pinang Tel No.: 04 835 2988	056-064
PM SECURITIES SDN BHD	Level 25, Menara BHL 51, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No.: 04-227 3000	064-004

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
PERLIS INDRA KAYANGAN		
ALLIANCE INVESTMENT BANK BERHAD	2nd Floor, Podium Block KWSP Building 01000 Kangar Perlis Indra Kayangan Tel No.: 04-976 5200	076-003
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor No. 39, Taman Suriani Persiaran Jubli Emas 01000 Kangar Perlis Indra Kayangan Tel No.: 04-979 3888	056-061
KEDAH DARUL AMAN		
A.A. ANTHONY SECURITIES SDN BHD	Lot 4, 5 & 5A 1st Floor EMUM 55 No. 55, Jalan Gangsa Kawasan Perusahaan Mergong 2 Seberang Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-732 2111	078-007
HWANGDBS INVESTMENT BANK BERHAD	No. 70 A, B, C, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No.: 04-425 6666	068-011
ALLIANCE INVESTMENT BANK BERHAD	2nd Floor, Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No.: 04-731 7088	076-004
OSK INVESTMENT BANK BERHAD	No. 112, Jalan Pengkalan Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No.: 04-420 4888	056-017
OSK INVESTMENT BANK BERHAD	No. 35, Ground Floor Jalan Suria 1, Jalan Bayu 09000 Kulim, Kedah Darul Aman Tel No.: 04-496 4888	056-019
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor 215-A & 215-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-720 9888	056-021
NEGERI SEMBILAN DARUL KHUSUS		
ECM LIBRA INVESTMENT BANK BERHAD	1C-1 & 1D-1, 1st Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-765 5998	052-013

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
HWANGDBS INVESTMENT BANK BERHAD	Ground & 1st Floor 105, 107 & 109, Jalan Yam Tuan 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-761 2288	068-007
HWANGDBS INVESTMENT BANK BERHAD	No. 6, Upper Level Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-455 3188	068-013
OSK INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 33, Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-764 1641	056-024
OSK INVESTMENT BANK BERHAD	1st Floor, No. 3601, Jalan Besar 73000 Tampin Negeri Sembilan Darul Khusus Tel No.: 06-442 1000	056-037
OSK INVESTMENT BANK BERHAD	1st & 2nd Floor No. 168, Jalan Mewah (Pusat Pemiagaan UMNO Bahagian Jempol) 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-455 3014	056-040
OSK INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 346 & 347, Batu ½, Jalan Pantai 71000 Port Dickson Negeri Sembilan Darul Khusus Tel No.: 06-646 1234	056-046
PM SECURITIES SDN BHD	1st, 2nd & 3rd Floor 19-21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-762 3131	064-002
JOHOR DARUL TAKZIM		
A.A. ANTHONY SECURITIES SDN BHD	Level 6 & 7 Menara MSC Cyberport No. 5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel No.: 07-333 2000	078-001
A. A. ANTHONY SECURITIES SDN BHD	42-8, Main Road, Kulai Besar 81000 Kulai Johor Darul Takzim Tel No.: 07-663 7398	078-005

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
A.A. ANTHONY SECURITIES SDN BHD	No. 70, 70-01, 70-02 Jalan Rosmerah 2/17 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-351 3218	078-006
A.A. ANTHONY SECURITIES SDN BHD	No. 171 (Ground Floor) Jalan Bestari 1/5 Taman Nusa Bestari 81300 Skudai Johor Darul Takzim Tel No.: 07-512 1633	078-008
ALLIANCE INVESTMENT BANK BERHAD	No. 73, Ground & 1st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel No.: 07-771 7922	076-006
AMINVESTMENT BANK BERHAD	2nd & 3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-434 2282	086-002
AMINVESTMENT BANK BERHAD	18th & 31st Floor, Selesa Tower Jalan Dato' Abdullah Tahir 80300 Johor Bahru Johor Darul Takzim Tel No.: 07-334 3855	086-006
ECM LIBRA INVESTMENT BANK BERHAD	No. 57, 59 & 61, Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-953 2222	052-004
ECM LIBRA INVESTMENT BANK BERHAD	Ground Floor, No. 234, Jalan Besar Taman Semberong Baru 83700 Yong Peng Johor Darul Takzim Tel No.: 07-467 8885	052-005
INTER-PACIFIC SECURITIES SDN BHD	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-223 1211	054-004
HWANGDBS INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108 Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-222 2692	068-004
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-333 3600	073-004

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
KENANGA INVESTMENT BANK BERHAD	No. 31 Lorong Dato' Ahmad Jalan Khalidi 84000 Muar Johor Darul Takzim Tel No.: 06-954 2711	073-008
KENANGA INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 34 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No.: 07-933 3515	073-009
KENANGA INVESTMENT BANK BERHAD	No. 33 & 35 (Ground & 1st Floor A&B) Jalan Syed Abdul Hamid Sagaff 86000 Kluang Johor Darul Takzim Tel No.: 07-777 1161	073-010
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 4, Jalan Dataran 1 Taman Bandar Tangkak 84900 Tangkak Johor Darul Takzim Tel No.: 06-978 2292	073-011
M&A SECURITIES SDN BHD	Suite 5.3A, Level 5 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-338 1233	057-003
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-331 6992	093-005
MIMB INVESTMENT BANK BERHAD	Suite 25.02, Level 25 Johor Bahru City Square (Office Tower) No. 106-108, Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-222 7388	061-002
MIMB INVESTMENT BANK BERHAD	1st Floor, No. 9 Jalan Kundang Taman Bukit Pasir 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-431 3688	061-003
OSK INVESTMENT BANK BERHAD	6th Floor, Wisma Tiong-Hua No. 8, Jalan Keris Taman Sri Tebrau 80050 Johor Bahru Johor Darul Takzim Tel No.: 07-278 8821	056-006

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
OSK INVESTMENT BANK BERHAD	53, 53-A & 53-B, Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-438 0288	056-009
OSK INVESTMENT BANK BERHAD	No. 33-1, 1st & 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-9538 8262	056-025
OSK INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel No.: 07-932 1543	056-030
OSK INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 17 Jalan Manggis 86000 Kluang Johor Darul Takzim Tel No.: 07-776 9655	056-031
OSK INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel No.: 07-662 6288	056-035
OSK INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 343, Jalan Muar 84900 Tangkak Johor Darul Takzim Tel No.: 06-978 7180	056-038
OSK INVESTMENT BANK BERHAD	1st Floor, No. 2 & 4 Jalan Makmur, Taman Sri Aman 85300 Labis Johor Darul Takzim Tel No.: 07-925 6881	056-039
OSK INVESTMENT BANK BERHAD	Ground & 1st & 2nd Floor Nos. 21 & 23 Jalan Molek 1/30 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-352 2293	056-043
OSK INVESTMENT BANK BERHAD	Ground & 1 st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel No.: 07-557 7628	056-029

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
PM SECURITIES SDN BHD	No. 41, Jalan Molek 2/4 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-351 3232	064-005
PM SECURITIES SDN BHD	Ground & 1st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park Business Centre 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-433 3608	064-008
PAHANG DARUL MAKMUR		
ALLIANCE INVESTMENT BANK BERHAD	A-397, A-399 & A-401 Taman Sri Kuantan III, Jalan Beserah 25300 Kuantan Pahang Darul Makmur Tel No.: 09-566 0800	076-002
CIMB INVESTMENT BANK BERHAD	Ground 1 st & 2 nd No. A-27 (Aras G, 1 & 2) Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel No.: 09-505 7800	065-007
ECM LIBRA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2, Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Tel No.: 09-517 1698	052-007
OSK INVESTMENT BANK BERHAD	B2 & B34, Lorong Tun Ismail 8 Seri Dagangan II 25000 Kuantan Pahang Darul Makmur Tel No.: 09-517 3811	056-007
OSK INVESTMENT BANK BERHAD	Ground Floor, 98 Jalan Pasdec 28700 Bentong Pahang Darul Makmur Tel No.: 09-223 4943	056-022
OSK INVESTMENT BANK BERHAD	Ground Floor No. 76-A, Persiaran Camelia 4 Tanah Rata 39000 Cameron Highlands Pahang Darul Makmur Tel No.: 05-491 4913	056-041
KELANTAN DARUL NAIM		
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor No. 3953-H Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel No.: 09-743 0077	056-020

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-743 2288	058-004
TERENGGANU DARUL IMAN		
FA SECURITIES SDN BHD	No. 51 & 51A Ground, Mezzanine & 1st Floor Jalan Tok Lam 20100 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-623 8128	021-001
ALLIANCE INVESTMENT BANK BERHAD	No. 1D, Ground & Mezzanine No. 1E, Ground, Mezzanine 1st & 2nd Floor, Jalan Air Jerneh 20300 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-631 7922	076-009
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor, 9651, Cukai Utama Jalan Kubang Kurus 24000 Kemaman Terengganu Darul Iman Tel No.: 09-858 3109	056-027
OSK INVESTMENT BANK BERHAD	31A, Ground Floor 31A & 31B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-626 1816	056-055
SARAWAK		
AMINVESTMENT BANK BERHAD	No. 164, 166 & 168 1st, 2nd & 3rd Floor Jalan Abell 93100 Kuching Sarawak Tel No.: 082-244 791	086-005
CIMB INVESTMENT BANK BERHAD	Level 1, Wisma STA 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel No.: 082-358 606	065-004
CIMB INVESTMENT BANK BERHAD	No.6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibul Sarawak Tel No.: 084-367 700	065-008
HWANGDBS INVESTMENT BANK BERHAD	Lot 328, Jalan Abell 93100 Kuching Sarawak Tel No.: 082-236 999	068-005

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
HWANGDBS INVESTMENT BANK BERHAD	No. 282, 1st Floor Park City Commercial Centre Phase 4, Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No.: 086-330 008	068-016
KENANGA INVESTMENT BANK BERHAD	Lot 2465, Jalan Boulevard Utama Boulevard Commercial Centre 98000 Miri Sarawak Tel No.: 085-435 577	073-002
KENANGA INVESTMENT BANK BERHAD	Level 5, Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel No.: 082-338 000	073-003
KENANGA INVESTMENT BANK BERHAD	No. 11-12 (Ground & 1st Floor) Lorong Kampung Datu 3 96000 Sibul Sarawak Tel No.: 084-313 855	073-012
OSK INVESTMENT BANK BERHAD	Ground, 1st & 6th Floor Wisma Chinese Chambers Lot 357, Section 47, K.T.L.D. Jalan Bukit Mata Kuching 93100 Kuching Sarawak Tel No.: 082-422 252	056-008
OSK INVESTMENT BANK BERHAD	Lot 1268, 1st & 2nd Floor Lot 1269, 2nd Floor Centre Point Commercial Centre Jalan Melayu 98008 Miri Sarawak Tel No.: 085-422788	056-012
OSK INVESTMENT BANK BERHAD	101 & 102, Pusat Pedada Jalan Pedada 96000 Sibul Sarawak Tel No.: 084-329 100	056-013
OSK INVESTMENT BANK BERHAD	Ground Floor & 1st Floor No. 10, Jalan Bersatu 96100 Sarikei Sarawak Tel No.: 084-654 100	056-050
OSK INVESTMENT BANK BERHAD	Ground & 1st Floor No. 221, Park City Commercial Centre Square Phase III, Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No.: 086-311 770	056-053

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and Telephone Number	Broker Code
TA SECURITIES HOLDINGS BERHAD	12G, H & I, Jalan Kampung Datu 96000 Sibul Sarawak Tel No.: 084-319 998	058-002
TA SECURITIES HOLDINGS BERHAD	2nd Floor, (Bahagian Hadapan) Bangunan Binamas, Lot 138 Section 54, Jalan Pandung 93100 Kuching Sarawak Tel No.: 082-236 333	058-006
SABAH		
CIMB INVESTMENT BANK BERHAD	1st & 2nd Floor Central Building No.28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No.: 088-328 878	065-005
ECM LIBRA INVESTMENT BANK BERHAD	Aras 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No.: 088-236188	052-012
HWANGDBS INVESTMENT BANK BERHAD	Suite 1-9-E1, 9th Floor, CPS Tower Centre Point Sabah No. 1, Jalan Centre Point 88000 Kota Kinabalu Sabah Tel No.: 088-311 688	068-008
INNOSABAH SECURITIES BERHAD	11, Equity House, Block K Sadong Jaya, Karamunsing 88100 Kota Kinabalu Sabah Tel No.: 088-234 090	020-001
OSK INVESTMENT BANK BERHAD	5th Floor, Wisma BSN Sabah Jalan Kemajuan, Karamunsing 88000 Kota Kinabalu Sabah Tel No.: 088-269 788	056-010
OSK INVESTMENT BANK BERHAD	Ground Floor, Block 2 Lot 4 & Lot 5, Bandar Indah, Mile 4 North Road 91000 Sandakan Sabah Tel No.: 089-229 286	056-057