

## 4. INFORMATION ON OUR GROUP (Cont'd)

## (ii) Upcoming Projects

The details of our upcoming projects are as follows:-

Project Name	Location	Developer	Land Owner	Type of Development	Type of Property	Total Projected Units	Forecasted GDV (RM million)	Average Price Range (RM'000)	Acres	Expected Year of Commencement	Expected Year of Completion
Desa Hijauan - Phase 2	Taman Gambang Damai, 26300 Kuantan, Pahang Darul Makmur	Sentoria Alam	Sentoria Alfa	Residential	Single-Storey Semi-Detached House / Single-Storey Bungalow	57	12.6	221.1	12.1	2012	2014
Taman Bukit Rangin	Kuantan, Pahang Darul Makmur	Sentoria Alam	Jariaco Sdn Bhd	Residential	Single-Storey Terrace and Semi-Detached House	474	58.0	122.0	38.4	2012	2014
			Wan Habsah binti Wan Kassim						1.0		
Taman Bukit Tinggi	Salak Tinggi, Selangor Darul Ehsan	Sentoria Properties	Samiah Binti Nadi and Saniah Binti Nadi	Residential	Single-Storey Semi-Detached House	31	7.8	251.6	4.0	2012	2014
Global Heritage South	Bukit Gambang Resort	Sentoria Harta	Sentoria	Commercial	Double-Storey and Triple-Storey Resort Villas / Hotel Suites	490 Double-storey villas and 273 hotel suites	335.8	570.0	59.0	2012	2016
Mediterranean Bay Resort	Bukit Gambang Resort	Sentoria Harta	Sentoria Alfa	Commercial	Family and Studio Suites	400	80.0	200.0	8.2	2013	2016
East Coast Bazaar	Bukit Gambang Resort	Sentoria Harta	Sentoria Alfa	Commercial	Wholesale and Retail Outlets	200	40.0	187.5	7.1	2013	2016
<b>Total</b>						<b>1,925</b>	<b>534.2</b>		<b>129.8</b>		

**4. INFORMATION ON OUR GROUP (Cont'd)****(a) Taman Bukit Rangin**

Taman Bukit Rangin will be developed on 39.4 acres of 99-year leasehold land. This project is expected to be developed into 474 units of single-storey terrace houses and semi-detached houses. This project is situated close to the township of Bandar Indera Mahkota, Kuantan, approximately 4km from Kuantan city centre. It is easily accessible through the Kuantan Highway Bypass. Bukit Gambang Resort and Kuantan Airport is also located in close proximity.

This project is expected to commence by early 2012 and complete by 2014.

**(b) Taman Bukit Tinggi**

Taman Bukit Tinggi will be developed on 4.0 acres of freehold land in Salak Tinggi, Selangor. This project will comprise 31 units of semi-detached houses.

Salak Tinggi, also known as the Airport City, is located within the district of Sepang, Selangor. Taman Bukit Tinggi is close to the Salak Tinggi station of the KLIA Transit Express Rail Link, which connects KLIA to KL Sentral. It is also close to the KLIA and the Sepang International Circuit.

This project is expected to commence in 2012 and complete by 2014.

**(c) Bukit Gambang Resort Developments****Desa Hijauan – Phase 2**

Please refer to Section 4.2.3(i) of this Prospectus for more information on Desa Hijauan.

**Global Heritage South**

Global Heritage South will be developed on 59.0 acres of freehold land and comprise 490 units of themed resort villas and a boutique hotel with 273 suites. Each cluster of resort villas will be designed based on various architectural themes.

This project is expected to commence by first quarter of 2012 and complete by 2016 in phases.

**Mediterranean Bay Resort**

Following the footsteps of Caribbean Bay and Arabian Bay, the development of Mediterranean Bay Resort will cover 8.2 acres of 99-year leasehold land and will comprise family and studios suites. The resort will have 400 suites.

This project is expected to commence in 2013 and complete by 2016.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

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**East Coast Bazaar**

East Coast Bazaar will be developed on 7.1 acres of 99-year leasehold land and will comprise 200 units of retail outlets. It is a three-in-one retail concept development combining local wholesale market, night market and foreign factory outlet where shoppers can source weaving, tapestry, brass and silverware, handicraft and other works produced by local craftsmen. One will also be spoilt for choice by the variety of dried seafood products and traditional foodstuffs this bazaar has to offer.

This project is expected to commence in 2013 and complete in phases by 2016.

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## 4. INFORMATION ON OUR GROUP (Cont'd)

## (iii) Future Projects

The details of our future projects, which are expected to be undertaken from 2015 to 2020, are set out in the table below. Our Board may from time to time, review and revise the development plans of these projects. As such, the information set out in the table below may vary.

Project Name	Location	Developer	Land Owner	Type of Development	Type of Property	Total Projected Units	Forecasted GDV (RM million)	Acres
Sungai Karang Beach Resort	Kuantan	Sentoria Harta	Sentoria Resorts	Commercial	Hotel Suites	120	48.0	2.6
Global Heritage North	Bukit Gambang Resort	Sentoria Harta	Sentoria	Commercial	Double-Storey Resort Villas	580	400.0	54.9
Hawaiian Bay Resort	Bukit Gambang Resort	Sentoria Harta	Sentoria Alfa	Commercial	Family and Studio Suites	400	80.0	9.6
Andaman Bay Resort	Bukit Gambang Resort	Sentoria Harta	Sentoria Alfa	Commercial	Family and Studio Suites	400	80.0	5.1
Rainforest Eco Suites 1	Bukit Gambang Resort	Sentoria Harta	Sentoria Alfa	Commercial	Resort Suites	250	75.0	6.8
Rainforest Eco Suites 2	Bukit Gambang Resort	Sentoria Harta	Sentoria Alfa	Commercial	Resort Suites	200	60.0	4.3
Rainforest Eco Suites 3	Bukit Gambang Resort	Sentoria Harta	Sentoria Alfa	Commercial	Resort Suites	150	45.0	5.2
Promenade Retail Suites	Bukit Gambang Resort	Sentoria Harta	Sentoria Alfa	Commercial	Retail Suites	200	40.0	3.6
Heritage Square	Bukit Gambang Resort	Sentoria Harta	Sentoria Alfa	Commercial	Retail Outlets	20	20.0	4.9
Business Hotel and Convention Centre	Bukit Gambang Resort	Sentoria Harta	Sentoria Alfa	Commercial	Hotel Suites and Convention Centre	200 Hotel Suites and 1 Convention Centre	90.0	6.5
<b>Total</b>						<b>2,521</b>	<b>938.0</b>	<b>103.5</b>

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**4. INFORMATION ON OUR GROUP (Cont'd)**

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**(a) Sungai Karang Beach Resort**

Sungai Karang Beach Resort will be developed on 2.6 acres of freehold land in Sungai Karang, Kuantan, Pahang. This project will comprise 120 beach front resort suites. This project is approximately 15km from Kuantan city centre and 20km from Kuantan Airport.

**(b) Bukit Gambang Resort Developments****Global Heritage North**

Global Heritage North will be developed on 54.9 acres of freehold land and comprise 580 units of themed resort villas. Each cluster of resort villas will be designed based on a particular theme, such as European, Oriental, Highland and Tropical.

**Hawaiian Bay Resort and Andaman Bay Resort**

The development of Hawaiian Bay Resort and Andaman Bay Resort will cover 14.7 acres of 99-year leasehold land and will comprise family and studio suites. Both resorts will have 400 units of suites each.

**Rainforest Eco Suites 1, 2 and 3**

The development of Rainforest Eco Suites 1, 2 and 3 will cover 16.3 acres of 99-year leasehold land and will comprise a total of 600 suites, which will be developed based on a rainforest theme.

**Promenade Retail Suites**

The Promenade Retail Suites will be developed on 3.6 acres of 99-year leasehold land and will comprise 200 units of retail suites.

**Heritage Square**

Heritage Square will be developed on approximately 1.9 acres of 99-year leasehold land and approximately 3.0 acres of freehold land and will comprise 20 units of retail outlets offerings entertainment, cultural performances, F&B outlets featuring international and local cuisine.

**Business Hotel and Convention Centre**

The Business Hotel and Convention Centre will be developed on 6.5 acres of 99-year leasehold land and will comprise 200 units of hotel suites linked together with a convention centre.

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#### 4. INFORMATION ON OUR GROUP (Cont'd)

##### (c) Morib Beach Resort Developments

In addition to the above, we are also in advanced negotiation for the acquisition and/or joint development of a few parcels of land aggregating 354.0 acres to be developed into Morib Beach Resort, an integrated themed resort city in Morib. Some of the proposed developments, which may be subject to further revision, are as follows:-

##### Property Development

- condominiums to be built on approximately 60.0 acres of land;
- resort villas to be built on approximately 114.0 acres of land; and
- retail outlets to be built on approximately 30.0 acres of land.

##### Leisure and Hospitality

- resort and convention centre to be built on approximately 38.0 acres of land;
- water theme park to be built on approximately 22.0 acres of land;
- river safari to be built on approximately 78.0 acres of land; and
- boutique hotel to be built on approximately 12.0 acres of land.

#### 4.2.4 Leisure and Hospitality

In addition to property development, our Group also owns/leases, manages and operates the hotel/resorts as well as theme park facilities and attractions that we have built. These include an integrated resort city, Bukit Gambang Resort, and a hotel in Kuantan named Sempurna Resort. Moving forward, our leisure and hospitality operations will also encompass our upcoming and future resort city developments such as Morib Beach Resort.

We see much growth potential in our leisure and hospitality core business division and believe that it will be key in generating regular continuous flow of revenue, complementing our property development activities to balance the financial sustenance of our Group's operations. The main revenue drivers for our leisure and hospitality core business division are F&B, lodging and renting of facilities, retail and recreational activities.

##### F&B

An integral part of our leisure and hospitality operations, F&B is made available to our guests in Caribbean Bay, Bukit Gambang Water Park as well as Sempurna Resort. F&B will also be available in Arabian Bay upon its completion.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

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**Lodging and renting of facilities**

In Bukit Gambang Resort and Sempurna Resort, lodging is available to our guests in the form of resort suites and hotel rooms. Guests can also rent the facilities in Bukit Gambang Resort and Sempurna Resort for meetings, functions and recreation. Lodging and renting of facilities will also be available in Arabian Bay upon its completion.

**Retail**

Gift shops are available at Caribbean Bay, Bukit Gambang Water Park, Sempurna Resort as well as Arabian Bay upon its completion, for the convenience of our guests.

**Recreational activities**

Guests can immerse themselves in a string of recreational activities at Caribbean Bay, Bukit Gambang Water Park, Active Academy and the upcoming Bukit Gambang Safari Park.

**(i) Bukit Gambang Resort**

Bukit Gambang Resort is nestled on 547.0 acres of land in Gambang, Kuantan, Pahang. It is situated only 218km from Kuala Lumpur and 35km from Kuantan city centre, with easy access via the ECE. Focusing on being eco-friendly, the development concept of Bukit Gambang Resort strives to ensure that surrounding greenery and terrain are preserved as much as possible.

Designed to be family-oriented, Bukit Gambang Resort is built with multiple attractions to cater for guests of all demographics. Corporate guests also make up another group of our target customers. Although the majority of Bukit Gambang Resort's guests are locals, it is gradually gaining appeal amongst international guests. We have carved out plans to attract international guests, particularly those from Singapore, who are keen to explore the attractions offered by the East Coast of Malaysia. Please refer to Section 4.12.2 of this Prospectus for further information on the trade shows participated by us.

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#### 4. INFORMATION ON OUR GROUP (Cont'd)

##### Bukit Gambang Water Park



Bukit Gambang Water Park spans an area of 45.8 acres, including a 17.1-acre manmade lake and offering attractions such as the longest six (6)-lane racer slide (*Source: IMRR*), the longest family-raft ride (*Source: IMRR*) and a 24,000 sq ft themed wave pool, capable of generating eight (8) modes of waves.

All rides in Bukit Gambang Water Park have options for both adults and children, the main components of which are supplied by internationally-renowned water ride manufacturers, namely ProSlide Technology Inc. and Murphy's Waves Ltd. There are four (4) zones within Bukit Gambang Water Park; they are Coco Beach, Penguin Island, Tree Top Hill Slides and Corporate Function Area.

At Bukit Gambang Water Park, all transactions can be conveniently performed electronically by utilising a prepaid wristband called the "e-value system". This is the first water park in Malaysia to fully implement the e-value system throughout its park, where all transactions are cashless, allowing guests to enjoy themselves without the hassle of carrying cash.

The figure below summarises the main attractions at Bukit Gambang Water Park:-



## 4. INFORMATION ON OUR GROUP (Cont'd)

Attraction	Facility
<p><b>Coco Beach</b></p>	<p><b>Manmade Beach and Wave Pool</b></p> <p>Coco Beach consists of a manmade beach and one of the largest wave pool in Malaysia with a wet area measuring 24,000 sq ft. The wave pool is the only wave pool in Malaysia that is capable of generating the most modes of waves. Its eight (8) different modes of waves provide the thrill of an ocean-like swimming experience.</p>
<p><b>Penguin Island</b>  (Caters to children)</p>	<p><b>Kids Slide</b></p> <p>This small-sized water slide is specially constructed for children.</p> <p><b>Kids River Ride</b></p> <p>Revolving around the family-oriented theme, this ride is a miniature version of the Family Raft Ride. It is designed for an adult and a child (including toddlers) to ride in tandem in a specially designed "Adult-Child" tube.</p> <p><b>Aqua Play</b></p> <p>Built in an enormous "tree fort" structure, Aqua Play presents a safe and child-friendly zone for the delight of children and for the young at heart.</p> <p>Children can climb in and out of this structure, run wild and glide down on the mini water slides, revel with water sprays and cannons or just enjoy the suspense of waiting for the massive giant water bucket dumping torrents of water down and back into the splash pool below.</p> <p><b>Glacier River / Journey of Ice</b></p> <p>The Glacier River surrounds Penguin Island and features a tunnel tube ride called the Journey of Ice. As guests voyage down the tunnel, they are swathed by a mysterious cloak of mists, lulled by the gentle rhythm of Glacier River and treated to a feast of visual displays.</p>
<p><b>Tree Top Hill Slides</b>  (Cater to adventurous guests)</p>	<p><b>Six (6)-Lane Racer</b></p> <p>This is the longest six (6)-lane racer slide in Malaysia (Source: IMRR), measuring 20 metres in height and a total length of 97.8 metres. This adrenalin-pumping ride pitches riders on a head-to-head high speed race to glory. Using specially-designed mats, riders hurtle down one of the six (6) lanes, reaching speeds of up to 40km per hour.</p> <p><b>Crystal Slide</b></p> <p>Measuring 87.0 metres, this slide features multiple twists and turns and has special translucent casing that allows outside views as riders plunge into the receiving pool below.</p>

## 4. INFORMATION ON OUR GROUP (Cont'd)

Attraction	Facility
<p><b>Tree Top Hill Slides</b></p> <p><b>(Cater to adventurous guests)</b></p>	<p><b>Galaxy Slide</b></p> <p>This is a totally enclosed slide and offers the opposite experience to that of Crystal Slide. Riders experience seven (7) seconds of intriguing pitch-black darkness as they descend down on this 87.0-metre slide into the receiving pool below.</p> <p><b>Canopy Slide</b></p> <p>This multiple-turn open slide of 104.0 metres allows riders to cruise downhill amongst the trees in the jungle using a tube.</p> <p><b>Family Raft Ride</b></p> <p>This is one of Bukit Gambang Water Park's signature ride. Measuring 222.0 metres, this is the longest family raft ride in Malaysia (<i>Source: IMRR</i>), allowing up to five (5) riders an adventurous cruise downhill.</p>
<p><b>Corporate Function Area</b></p>	<p><b>Corporate Function Area</b></p> <p>Bukit Gambang Water Park also offers well-equipped and professionally-operated areas for group functions. These include the Telematch Pool, Garden Terrace and Bamboo Terrace. Guests have the option to incorporate the use of these facilities to create a more enjoyable teambuilding session and group outings.</p>
<p><b>Other Facilities</b></p>	<p><b>Tube / Locker / Cabana</b></p> <p>There are radio frequency identification ("RFID") lockers and cabanas throughout Bukit Gambang Water Park available for rent. In addition, tubes of different sizes to cater for the different rides are also available for rental.</p> <p><b>F&amp;B outlets / Gift Shop</b></p> <p>There are four (4) F&amp;B outlets within Bukit Gambang Water Park. During peak season, additional F&amp;B kiosks will be opened to cater for the additional crowd.</p> <p>The gift shop at the entrance of Bukit Gambang Water Park offers merchandise such as plush toys, clothing, stationery, light snacks and key chains, amongst others.</p>

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**4. INFORMATION ON OUR GROUP (Cont'd)**

**Active Academy**

Active Academy is a division under Bukit Gambang Resort that offers teambuilding programmes for corporate as well as in-house guests. These programmes allow participants to experience fun-filled and challenging teambuilding exercises, through a number of activities such as obstacle challenges, raft building, paintball battles, jungle trekking and all-terrain vehicle (“ATV”) rides, amongst others. These programmes help participants to learn more about themselves, facilitates team bonding, promote leadership and teamwork skills.

Active Academy’s approach focuses on “self-discovery learning”. Its chief facilitator is certified by Pembangunan Sumber Manusia Berhad. All teambuilding activities are designed and customised to simulate work-life situations and aim to challenge emotional and psychological endurance alongside physical endurance.

Active Academy offers the following choices of outdoor teambuilding activities:-



These activities are carried out with the assistance of the facilities that are appended in the table below.

Type	Description
<b>Ground Obstacles Challenge</b>	Our Ground Obstacles Challenge offers 22 obstacles to test skills in team collaboration, leadership and communication. With five (5) different levels of difficulty, these obstacle challenges the psychological and emotional strength of participants and promote self confidence, trust and team spirit as participants exert themselves in accomplishing team missions.

## 4. INFORMATION ON OUR GROUP (Cont'd)

Type	Description
<b>Paintball Warzone</b>	<p>Our Paintball Warzone covers an area of 23,000 sq ft in the jungle and is supervised by game marshals. Designed to simulate a battleground with trees and other natural surroundings as bunkers and hideouts, participants work together to outplay their opponents in a test of wits, strategy and team spirit.</p> <p>Paintball war games are excellent for unearthing the resourcefulness of participants and developing skills in problem solving, communication, leadership, decision making and group coordination.</p>
<b>Aerial Obstacles Path</b>	<p><b>High Rope</b></p> <p>Comprises nine (9) high rope obstacles that are suspended six (6) metres above ground. Our high rope obstacles present a test of agility, courage and endurance as participants traverse from one tree platform to another.</p> <p><b>Flying Fox</b></p> <p>Participants take off from a tree platform and glide down this 135-metre zip-line along the slope of the jungle.</p>
<b>Water-Based Facilities</b>	<p><b>Manmade Lake</b></p> <p>A 17.1-acre manmade lake in the midst of the secondary jungle, suitable for activities such as raft building or water confidence activities.</p> <p>Under the Raft Building and Water Confidence activity, participants are required to build a makeshift raft using tyre tubes and wooden planks and enter into a race on the makeshift raft. This encourages latent leadership and talent to emerge as participants exercise both independent judgement and execution to fulfill team responsibilities.</p> <p><b>Bukit Gambang Water Park (Telematch Pool)</b></p> <p>Featuring a pool dedicated for tele-matches, participants are treated to a variety of water strategy games for teambuilding or just for fun.</p>

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**4. INFORMATION ON OUR GROUP (Cont'd)****MICE**

With well-equipped, modern and comfortable conference halls and seminar rooms of different sizes supported by Bukit Gambang Resort's capability in organising large and small events, the resort city presents the ideal choice of venue for meetings, conferences, exhibitions and other functions. Bukit Gambang Resort's MICE division also benefits from the resort city's easy accessibility and complementary offerings such as Bukit Gambang Water Park, Active Academy and resort-style accommodation. Guests can choose to utilise the nearby attractions to customise their meetings, conferences and other indoor or outdoor functions.

Please refer to the table below for details of the MICE venues.

Room Name	Location	Dimension (metres)	Seating Arrangement and Capacity						
			Round Table (pax)	Class-room (pax)	Theatre (pax)	Board-room (pax)	U-Shape (pax)	Hollow Square (pax)	Workshop (pax)
Caribbean Ballroom	Caribbean Bay	28.6 x 23.5	450	360	544	-	78	90	125
Multipurpose Hall	Caribbean Bay	26.4 x 15.2	350	300	400	-	63	78	125
Caribbean 1	Caribbean Bay	19 x 15.1	200	160	240	55	50	50	75
Caribbean 2	Caribbean Bay	19 x 7.3	100	80	130	37	31	30	40
Caribbean 3	Caribbean Bay	12 x 7.8	70	45	108	37	31	22	25
Caribbean 4	Caribbean Bay	12 x 7.8	70	45	108	37	31	22	25
Caribbean 5	Caribbean Bay	12 x 7.8	70	45	108	37	31	22	25
Caribbean 6	Caribbean Bay	12 x 7.8	70	45	108	37	31	22	25
Caribbean 7	Caribbean Bay	8.1 x 7.8	30	18	40	12	10	14	15
Caribbean 8	Caribbean Bay	12 x 7.8	70	45	108	37	31	22	25
Caribbean 9	Caribbean Bay	12 x 7.8	70	45	108	37	31	22	25
Caribbean 11	Caribbean Bay	48.7 x 10.3	160	78	160	30	36	42	100
Caribbean 12	Caribbean Bay	15.2 x 10.3	90	48	90	28	21	24	60
Caribbean 13	Caribbean Bay	15.8 x 7.3	60	36	60	20	15	18	40
Cabana Ballroom 1	Bukit Gambang Resort Centre	37 x 24	630	405	908	-	114	138	175
Cabana Ballroom 2	Bukit Gambang Resort Centre	24 x 16	190	183	312	-	66	84	60
Cabana 3	Bukit Gambang Resort Centre	21.9 x 14.9	180	132	168	-	66	84	60
Cabana 4	Bukit Gambang Resort Centre	14.9 x 7.3	60	63	120	36	30	42	25
Cabana 5	Bukit Gambang Resort Centre	14.9 x 7.3	60	63	120	36	30	42	25
Cabana 6	Bukit Gambang Resort Centre	11.0 x 7.3	40	45	84	30	24	30	20



#### 4. INFORMATION ON OUR GROUP (Cont'd)

##### Bukit Gambang Safari Park



Our Bukit Gambang Safari Park spans 88.2 acres and provides an avenue for guests to appreciate animals kept in their natural settings. Built on the undulating terrain of Gambang's secondary jungle, Bukit Gambang Resort's Bukit Gambang Safari Park embraces its natural surroundings by ensuring that most of the natural foliage is untouched and animal enclosures are built on open spaces within the jungle.

The main focus of Bukit Gambang Safari Park is in educating children on animals and the importance of wildlife conservation. Some of the interesting features of Bukit Gambang Safari Park include the Night Jungle experience, where guests are able to observe nocturnal creatures in their natural habitat. Guests, especially children, will also enjoy petting livestock in the Foreign Village. They will also be treated to different species of tropical wildlife such as tropical birds, creepy crawlies and monkeys as they enter the Malaysia Rainforest. In Arctic World, guests will enter the playground of sea lions and penguins. As guests enter Wild Savannah, they will meet eye to eye with giraffes on a raised platform and experience a close up rendezvous with other animals from the African continent.

We have obtained the planning and building approval for Bukit Gambang Safari Park. Further details of the aforesaid approvals are disclosed in Section 4.7 of this Prospectus. We are currently awaiting the permit to operate a zoo as part of the development of Bukit Gambang Safari Park to be approved by Jabatan Perlindungan Hidupan Liar dan Taman Negara. The construction of Bukit Gambang Safari Park commenced in June 2011 and is expected to complete by end 2012.

**4. INFORMATION ON OUR GROUP (Cont'd)****(ii) Sempurna Resort**

Located in Taman Indera Sempurna 2, Sempurna Resort is an affordable hotel offering guests an alternative choice from Kuantan city hotels.

The hotel has 108 rooms and four (4) meeting venues. Please refer to the table below for details of Sempurna Resort's meeting venues.

Room Name	Dimension (metres)	Seating Arrangement and Capacity				
		Banquet (pax)	Classroom (pax)	Theatre (pax)	Boardroom (pax)	U-Shape (pax)
Sempurna Ballroom	21 x 16	300	160	400	400	100
Sempurna 1	12.6 x 7	50	30	30	30	30
Sempurna 2	11.8 x 6.1	50	30	30	30	30
Sempurna 3	8 x 8.8	80	45	60	40	40

**(iii) Upcoming and Future Developments**

Our future developments for the leisure and hospitality core business division include the following:-

**Adventure Land**

Covering an area of 82.0 acres, Adventure Land will feature an amusement park with several themed zones featuring an array of exciting rides and games for both young and old. Some of the attractive features of Adventure Land include a children zone, an adventure zone with train and boat rides, an extreme zone with heart-pumping roller coaster rides, a movie simulator cineplex, an amphitheatre, a multiplex housing strange but genuine artefacts and a night parade.

**Aquarium Park**

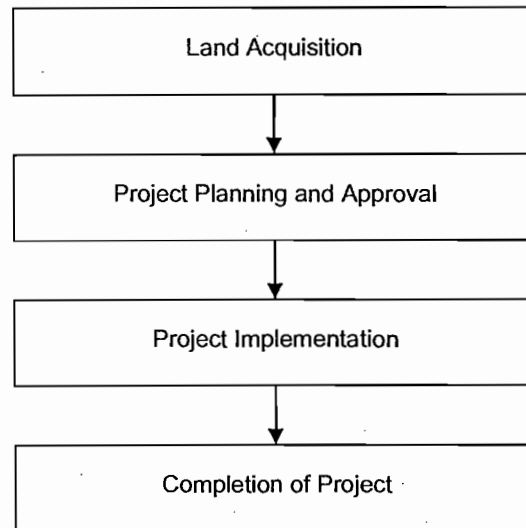
Covering an area of 5.4 acres, Aquarium Park will feature a multitude of aquariums showcasing local fresh water fishes and marine wildlife. Guests will be captivated by the vibrant underwater sights and scenes and explore the diversity of aquatic life.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

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**4.2.5 Process Flow****(i) Property Development****Stage 1 – Land Acquisition**

- (a) This process starts with the identification of the project land from various public and private sources. These are usually undertaken through direct negotiation with private land owners / government-linked corporations / government institutions, obtained via advertisements, real estate agents, land searches, tenders and auctions organised by financial institutions and government institutions.
- (b) Feasibility studies are undertaken to assess the suitability of location for a particular development and market demand and construction costs are estimated. The conceptualisation of the development may also involve architects, engineers, quantity surveyors, real estate valuers and other external consultants.
- (c) Where feasible, the land is purchased using various funding sources available to our Group. We will engage lawyers to review and attend to all legal requirements for the purchase of the proposed land. A cashflow study of the proposed project together with market analysis and survey of the property may be undertaken prior to the approval for the purchase of the project land. We may also engage external consultants (such as real estate valuers) to support our decision making.

Cashflow study includes sensitivity analysis and the review of the industry outlook, taking into consideration the potential movements in raw material costs, labour shortages and costs as well as general economic indicators, for example, disposable income, supply and demand conditions of development projects, which may affect the take-up rate of a particular project.



#### 4. INFORMATION ON OUR GROUP (Cont'd)

Market analysis includes the review of take-up rate, population density, target market income and age distribution, among others.

- (d) Where land has already been purchased and in hand, detailed design and planning are undertaken to review the optimum return for the use of land for property development, whereby we will determine the suitability of the product mix, pricing strategy and costs involved to complete a project.

#### Stage 2 – Project Planning and Approval

Prior to the commencement of a project, we will be required to obtain the necessary approvals for, inter alia:-

- (a) conversion / amalgamation and subdivision of land which involves surveyor, engineer and town planner, drawing project development plan and layout and thereafter submitting to the appropriate authorities for approval;
- (b) building / structural / infrastructure plan which involves architect and engineer preparing and submitting the necessary plans and drawings for approval; and
- (c) upon obtaining approval in respect of items (a) and (b), we will submit and obtain advertising permit and developer's license, where applicable.

#### Stage 3 – Project Implementation

##### (a) Detailed Costing

After the approvals / licenses are granted, a construction schedule will be planned. We will carry out a more detailed feasibility study of the proposed development to support cost planning.

##### (b) Sales and Marketing

We will organise sales and marketing activities such as mass-media advertisements, sales booths in popular shopping centres, participation in exhibitions and road shows to create publicity and generate sales.

##### (c) Construction and Control

Upon receipt of the construction drawings from our appointed consultants, we will prepare project schedule, materials / sub-contracting procurement schedule as well as the necessary equipment and tools. Building materials / sub-contracting services and the relevant construction equipment and tools are sourced through a tender process or directly negotiated. While construction is undertaken in-house, sub-contractors are appointed where necessary, to carry out certain activities for the project. Before a supplier or sub-contractor is appointed, consideration is given to track record, reliability, cost and quality.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

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During the construction process, we constantly monitor project cost, progress and building quality. Construction progress reports are issued to the management on a regular basis to monitor and manage performance and delivery.

**(d) Collection and payment**

Following architect certification on the progress of a project, we will issue progress billings to our customers in stages according to the progress claim schedule as stipulated in the sale and purchase agreements. Progressive payments are also made to suppliers and sub-contractors on a regular basis.

**Stage 4 – Completion of Project**

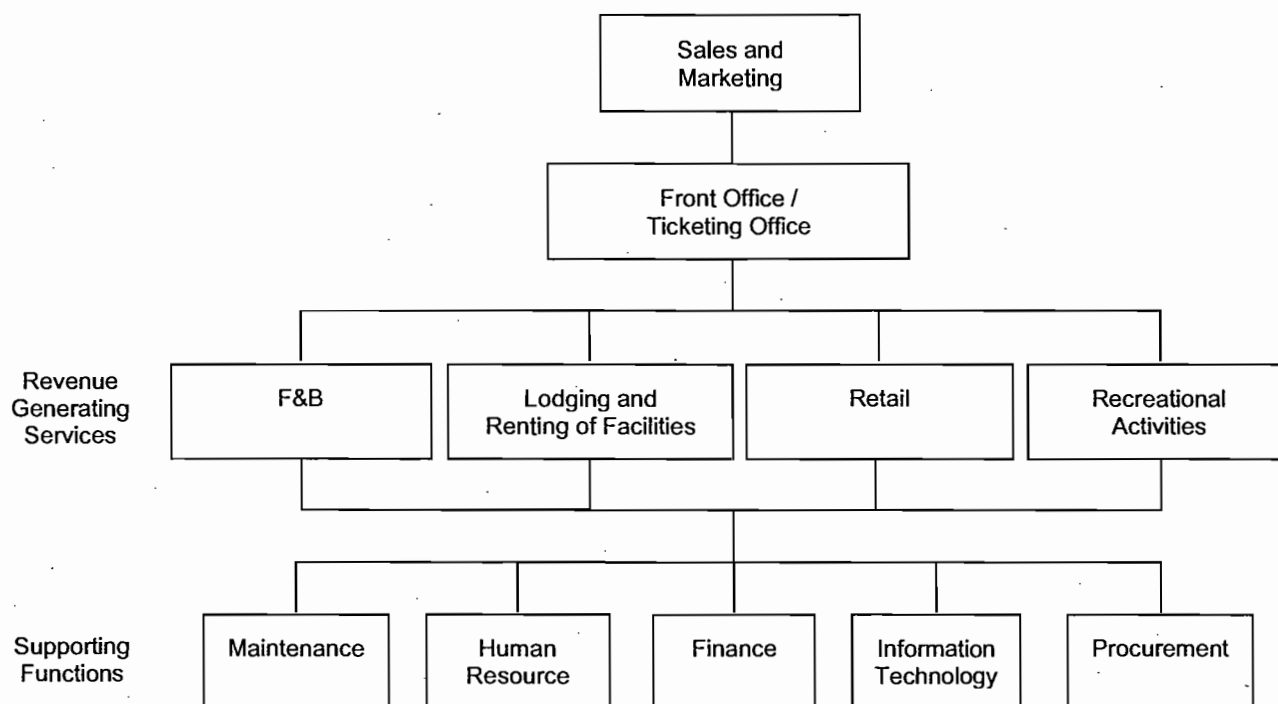
- (a) Upon completion of construction, the architect issues the project completion certificate as well as the CCC.
- (b) Other bills related to property titles, amenities and all outstanding payments are finalised and paid by the new owners before the release of the property to them. Together with the new owners, we will carry out a joint inspection of the completed property to address any issues of defects.
- (c) Our Group provides after sales service, which includes rectifying defects, if any, during the defect liability period as well as registration of strata / individual titles (subject to the type of development).

Certain processes are not applicable to resort city developments, involving construction and development of assets such as theme parks and attractions, which are part of our Group's leisure and hospitality business.

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#### 4. INFORMATION ON OUR GROUP (Cont'd)

##### (ii) Leisure and Hospitality



##### Sales and Marketing

Our hospitality and leisure activities begin with sales and marketing. Please refer to Section 4.12 of this Prospectus for further details of our Group's sales and marketing activities.

When lodging is requested, our sales and marketing personnel will access our room reservation system or contact our front office personnel in Bukit Gambang Resort to check the availability of rooms. Once confirmed by our customers, our sales and marketing personnel will proceed to make the necessary reservations through the room reservation system or through our front office personnel. Customers may also make room reservations online through Bukit Gambang Resort's website ([www.bqrc.com.my](http://www.bqrc.com.my)).

For entry to Bukit Gambang Water Park, our sales and marketing personnel will liaise with our ticketing office to secure the necessary entry passes.

For MICE activities, our sales and marketing personnel will consolidate the various requests made by our customers such as MICE venues and facilities, lodging, F&B as well as other offerings such as Bukit Gambang Water Park entries and Active Academy teambuilding activities.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

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For MICE venues / facilities requests, our sales and marketing personnel will start by checking the availability of venues and facilities through the venue / facilities reservation system or by contacting our sales coordinator. Once confirmed by our customers, our sales and marketing personnel will proceed to make the necessary reservations through the venue / facilities reservation system or through our sales coordinator. For other requests, our sales and marketing personnel will issue event orders to various departments / divisions such as event management, banqueting, Bukit Gombang Water Park ticketing office and Active Academy to coordinate these requests with the aid of our event management personnel.

With the exception of recreational offerings such as Bukit Gombang Water Park and Active Academy, the abovementioned processes are similar for Sempurna Resort.

**Front Office / Ticketing Office**

Our front office is responsible for managing the accommodations in Bukit Gombang Resort including pricing, reservation and assignment of accommodation.

When guests arrive at Bukit Gombang Resort, they are greeted by our front desk personnel. Our front desk is also responsible for attending to the needs of our guests including check-ins and check-outs, processing of payments and general enquiries.

Our ticketing office is responsible for managing entries to Bukit Gombang Water Park including the issuance of entry passes / wristbands, replenishing e-value credits and refunding of e-value balances.

**F&B**

At Bukit Gombang Resort, guests have access to a variety of culinary experiences.

Located in Caribbean Bay, Caribbean Coffee House serves up a wide menu of local delights as well as international cuisine via its ala carte menu. For guests who prefer unlimited access to a wide variety of food, there is the buffet spread for a gastronomic adventure. Serving breakfast, lunch and dinner as well as snacks and beverage in between, Caribbean Coffee House operates from 7am until 12 midnight daily. Our Caribbean Coffee House also complements our MICE offerings.

Toucan Bistro, also located within Caribbean Bay, offers guest a selection of alcoholic beverages, soft drinks, hot beverages, snacks as well as television shows from 6pm to 2am, Tuesdays to Sundays.

There are also other F&B outlets located within Bukit Gombang Water Park such as Coco Pizza, Coco Station and Penguin Express available for guests while having fun at the various water rides.

Sempurna Café, within Sempurna Resort, also offers a delicious range of local favourites and cuisine. It is opened from 7am to 8pm daily.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

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**Lodging and Renting of Facilities**

Caribbean Bay offers 578 units of resort suites and other facilities such as meeting / function venues, a swimming pool, a gymnasium, karaoke rooms, among others. Arabian Bay, when completed, will have 546 resort suites and boast the largest ballroom on the East Coast of Malaysia. Please refer to Sections 4.2.3 and 4.2.4 of this Prospectus for further information.

Sempurna Resort has 108 rooms and four (4) meeting / function venues. Please refer to Section 4.2.4 of this Prospectus for further information.

Bukit Gambang Water Park also offers cabanas, lockers and tubes for rental.

**Retail**

Guests can shop for souvenirs, swimming attire and other merchandise at the gifts shops in Caribbean Bay, Bukit Gambang Water Park and Sempurna Resort.

**Recreational Activities**

Bukit Gambang Resort offers diverse recreational attractions and activities such as Bukit Gambang Water Park, Active Academy as well as Bukit Gambang Safari Park (construction commenced in June 2011).

**Supporting Functions**

Our leisure and hospitality business is supported by other functions such as facilities management, human resource, finance, information technology services as well as procurement of supplies and consumables.

We use a combination of in-house resources and external contractors to provide the full diverse range of facilities management services, which include, but not limited to:-

- (a) Scheduled preventive and routine maintenance programme for buildings and facilities, streets, sidewalks, lawns, landscapes and others;
- (b) 24-hour security guard services;
- (c) Ground and janitorial services such as cleaning the parking lots, streets, common stairways and walkways as well as cleaning the roof, gutters and down spouts;
- (d) Repair services including fittings, plumbing, ventilation and air-conditioning repairs; and
- (e) Refurbishment services including repainting as well as replacement and repair of fixtures.

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#### 4. INFORMATION ON OUR GROUP (Cont'd)

##### 4.3 COMPETITIVE ADVANTAGES AND KEY STRENGTHS

We have created a business with significant competitive advantages and key strengths to not only compete successfully against other property developers and leisure and hospitality operators but also provide a solid platform for future growth.

##### 4.3.1 Established Track Record and Market Reputation

Over a short span of time, we have established ourselves as a reputable niche township and resort city developer. As at LPD, we have completed 4,138 units of residential and commercial properties including single-storey terrace houses, semi-detached houses, resort suites and shop offices. Save for 113 retained units, all our completed units have been sold. Approximately 95.7% of our completed residential and commercial units are delivered ahead of schedule.

Property Name	Type of Development	Number of Units Completed	Number of Units Retained	Number of Units Sold	Percentage Sold <sup>(1)</sup>
Taman Sentoria	Single-storey terrace house, double-storey shop office	230	-	230	100.0
Taman Indera Sempurna 1	Single-storey terrace house, single-storey semi-detached house, single-storey shop office	953	-	953	100.0
Taman Indera Sempurna 2					
Block A	Single-storey terrace house	599	-	599	100.0
Block B	Single-storey terrace house, single-storey shop office	438	-	438	100.0
Block C	Single-storey semi-detached house	316	-	316	100.0
Block D	Single-storey terrace house	434	-	434	100.0
Caribbean Bay	Resort suites	578	58	520	100.0 <sup>(1)</sup>
Desa Hijauan	Double-storey shop office	40	-	40	100.0
	Single-storey terrace house	387	55	332	100.0 <sup>(1)</sup>
	Single-storey terrace house	121	-	121	100.0
	Single-storey semi-detached house	42	-	42	100.0
<b>TOTAL</b>		<b>4,138</b>	<b>113</b>	<b>4,025</b>	<b>100.0</b>

*Note:-*

(1) Percentage sold is based on external sales only

#### 4. INFORMATION ON OUR GROUP (Cont'd)

The high demand for our properties serves as a testament of the value accorded to them, as we have carefully tailored our product mix to suit the needs of our target markets. In addition, by consistently delivering quality and reasonably-priced properties on time or ahead of schedule, we are able to secure the confidence of our existing and potential customers. Our track record and market reputation will provide the platform for us to spearhead and successfully sell our future properties.

##### 4.3.2 Ability to Penetrate New Markets

Our market cognisance, dynamic marketing strategy and past experience in creating and harnessing the value from less desirable land bank enables us to penetrate new markets.

For example, for Taman Indera Sempurna 1 and Taman Indera Sempurna 2, we recognised there is a large untapped demand for affordable residential development due to our understanding of the Kuantan property market. Additionally, given the condition of our land bank (i.e. swampy terrain), we conceived the development of single-storey houses as the best solution for the said land bank.

For Bukit Gambang Resort, we recognised the undulating secondary jungle terrain of our Gambang land bank was less suitable for conventional residential property development. We further noted that there is no major development in the vicinity of the land bank at that time. However, the said land bank was flanked by the ECE and the Kuala Lumpur-Kuantan Federal Route 2. As such, we planned the development of an integrated resort city by capitalising on the natural foliage of the secondary jungle to create an oasis for our guests away from the hustle and bustle of fast-paced urban living. Our complementary properties – theme park attractions and resort-style accommodation, have also created a new corridor for development within Bukit Gambang Resort and its surrounding areas. Desa Hijauan, the residential component of Bukit Gambang Resort, has received overwhelming response. We believe our expansion plans for this area, as set out in Sections 4.2.3(ii), 4.2.3(iii) and 4.16 of this Prospectus will further upgrade this area to a coveted address.

With the confidence and experience gained in successfully developing Taman Indera Sempurna 1, Taman Indera Sempurna 2 and Bukit Gambang Resort, we believe we will be able to replicate our success in other localities and penetrate new markets to capture a bigger market share.

##### 4.3.3 Shorter Construction Cycle

Our integrated property development approach and dedicated in-house construction division has been integral in our success. By carefully coordinating and closely monitoring our construction progress, we have been able to complete our construction work in a relatively shorter timeframe. This allows us not only to deliver our products to customers on time or ahead of schedule but also to introduce new products faster to market.

As disclosed below, as at LPD, approximately 95.7% of our residential and commercial units are delivered ahead of schedule, of which 59.0% are delivered more than six (6) months ahead of schedule.

	Behind schedule	Within six (6) months ahead of schedule	More than six (6) months ahead of schedule	More than twelve (12) months ahead of schedule	Total
Number of Units	180	1,519	1,100	1,339	4,138
Percentage	4.3	36.7	26.6	32.4	100.0

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**4. INFORMATION ON OUR GROUP (Cont'd)**

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**4.3.4 Financial Management Capabilities**

Our Group has a healthy financial track record, which is proven by our profitability over the past three (3) financial years, despite operating amidst challenging economic conditions. With the commencement of the operation of Caribbean Bay and Bukit Gambang Water Park in 2009, our revenue grew by 7.7% and 34.8% for FYE 2009 and 2010 respectively. Our GP margin for FYE 2008, 2009, 2010 and FPE 2011 is 27.7%, 27.8%, 31.4% and 35.6% respectively, exhibiting an increasing trend.

Our in-house construction division enables us to have better cost control as critical construction functions are undertaken internally instead of being sub-contracted to external parties. Hence, we are better placed to control our profit margins to respond to changes in supply and demand conditions.

In addition, as we have a relatively shorter construction cycle, we are able to issue progress billings to our customers earlier, upon completion of each stage of construction as stipulated in the sale and purchase agreements, which in turn will improve our liquidity position. As a result, we will be poised to seize opportunities as and when they arise.

As at 31 July 2011, our Group's total interest-bearing borrowings amounted to approximately RM50.1 million, translating to a debt-to-equity ratio of 0.46 times, which is relatively low. As such, our Group is in a better position to undertake new projects and raise new financing as and when the need arises, as compared to other property developers with higher gearing.

In addition, we seek to establish strategic alliances with JV partner(s) (i.e. land owners) to undertake development projects. This will minimise the need for a huge initial outlay to acquire land bank.

Our sale and leaseback arrangement for Caribbean Bay and Arabian Bay also enables us to recognise property development income and lowers our overall gearing, while still having access to the leased properties to support our leisure and hospitality operations.

**4.3.5 Experienced Management Team**

Our Group has a management team comprising experienced, skilled, dynamic and competent individuals whose commitment and dedication have been the driving force of our achievement and growth.

Our Promoters, namely Dato' Chan Kong San and Dato' Gan Kim Leong, collectively possess more than 40 years of experience in the property development industry. They played an important role in charting the strategic direction of our Group. Under their leadership, our Group has grown to become a major player in the Pahang property development scene as well as an upcoming leisure and hospitality operator.

With the vast experience and technical expertise of our Promoters and key management team, we possess the ability to offer quality real estate properties to meet the demands of our target markets and to deliver service excellence in respect of our leisure and hospitality operations. All of our key management personnel have more than 15 years of experience in their respective fields. Combining entrepreneurial drive with financial and managerial prudence, we believe our Promoters and key management will continue to steer our future growth.



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**4. INFORMATION ON OUR GROUP (Cont'd)**

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**4.3.6 Strategic Location and Accessibility of Bukit Gambang Resort**

Bukit Gambang Resort, along with the concentration of our current property developments, is strategically located within the ECER. One of the five (5) economic growth corridors established by the Malaysian government, the ECER has received much attention from the government in terms of infrastructural investment and development. It was reported that as at 10 September 2011, the ECER had attracted more than RM48.0 billion in domestic and overseas investments since its inception in 2007 (*Source: IMRR*).

With its wealth of natural resources, ECER is widely recognised as a region with much untapped growth and potential. It already boasts a thriving oil, gas and petrochemical industry. A key focus of the ECER is on developing emerging industries with potential for future expansion. This includes developing halal parks, palm oil clusters as well as the Kerteh Polymer Park, among others. These economic initiatives will not only boost economic growth in the ECER but also improve the value of and demand for the properties we developed in this region.

One of the key thrusts of the ECER is to develop its human capital to meet the region's future development. As such, one of the strategies outlined for the education sector in this region is to set up new institutions of higher learning. One such institution is the Universiti Malaysia Pahang, which has a campus in Pekan and another in Gambang. These two (2) campuses are located within easy reach to Bukit Gambang Resort, thus, allowing our resort city to tap into the young consumer segment.

In addition, tourism is recognised to be another important economic driver in this region, attracting both local and foreign visitors to discover the natural and cultural attractions this region has to offer. Bukit Gambang Resort and our developments are, thus, well-placed to capitalise on the growing dynamism of the ECER.

One major draw factor of Bukit Gambang Resort is undoubtedly its strategic location. Our resort city is well placed to tap not only guests within Malaysia, but also visitors from Singapore. Bukit Gambang Resort is situated only 218km from Kuala Lumpur and 35km from Kuantan city centre. With the opening of the ECE, the East Coast of Malaysia is now better linked to the West Coast and is, thus, more accessible to travellers from the West Coast states. Via the ECE, travelling from Klang Valley to Kuantan now takes a shorter time. Visitors from Singapore are just one (1) hour away from Kuantan by flight and approximately 20 minutes from the Kuantan Airport to Bukit Gambang Resort. Further, Bukit Gambang Resort is only 367km from Singapore by road. The regular journey from Klang Valley and Singapore to Bukit Gambang Resort is estimated to be 2.5 hours and 4.5 hours respectively, hence making the resort city a convenient destination for weekend retreats as well as MICE activities.

**4.3.7 Development Potential of Bukit Gambang Resort**

We operate one of the largest integrated resort cities in Malaysia, with access to a population of 1.5 million in Pahang and over 2.6 million in the neighbouring states of Kelantan and Terengganu. Our Bukit Gambang Resort stands out from other resorts in this region as we integrate multiple attractions and offerings within our resort city, thus catering to guests of all demographics. Bukit Gambang Water Park is also currently the third ranked theme park by number of guests in Malaysia (*Source: IMRR*).

#### 4. INFORMATION ON OUR GROUP (Cont'd)

By further developing residential and commercial properties in the vicinity of Bukit Gambang Resort, we foster the growth of communities and townships in this area, thereby attracting greater number of guests to Bukit Gambang Resort. This also enables us to reinforce our foothold in this area.

In addition, Bukit Gambang Resort's natural undulating terrain and secondary jungle foliage is expected to form a natural backdrop for the resort city's water park and other attractions. The vast acreage on which Bukit Gambang Resort is developed on also provides the development opportunity for more resort-style accommodation, attractions and eco-based activities. Thus, Bukit Gambang Resort has an advantage over other theme parks that are either small in size or lack of foliage, or located in an urban area, where there is limited acreage for development. We already have firm plans to further develop Bukit Gambang Resort's attractions, introducing them in phases gradually to sustain interest and build further momentum and growth in the number of guests. Please refer to Sections 4.2.3(ii), 4.2.3(iii) and 4.2.4(iii) for further information on our upcoming and future developments for Bukit Gambang Resort.

##### 4.3.8 Large and Flexible Capacity of MICE Facilities

Bukit Gambang Resort is equipped with one of the largest and most flexible MICE facilities in Malaysia. We are able to cater to a wide range of functions and events of different capacities. Bukit Gambang Resort has the capabilities and capacity to accommodate family gatherings, office meetings, weddings or conferences.

In addition, we pride ourselves as a competent event organiser. In July 2010, we set a track record by successfully organising 16 different functions for 16 groups in one (1) night at Bukit Gambang Resort, with an aggregate guest count of approximately 2,800. In July 2011, we successfully organised a large-scale corporate family day event for approximately 4,000 guests. The first wedding function we organised in Bukit Gambang Resort accommodated approximately 1,500 guests.

Arabian Bay, when completed, will have one of the largest ballrooms in Malaysia, capable of accommodating 3,050 guests at any one time<sup>(1)</sup>.

Our MICE activities bring balance to the seasonality of our other leisure and hospitality operations, which tend to be concentrated on weekend and public holiday crowds.

Note:-

(1) Based on round-table seating arrangement, the number of guests may vary depending on other forms of seating arrangement.

#### 4.4 SEASONALITY

Generally, our Group is not affected by seasonal demand conditions except for our leisure and hospitality core business division, whereby demand conditions are higher during weekends, festive periods, school and public holidays as well as major sporting events held in Malaysia.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

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**4.5 TECHNOLOGY USED****4.5.1 Property Development****Construction**

Our Group currently applies our knowledge and know-how in construction and structural engineering, and develops them into best practices applied in our daily construction activities to enhance productivity, efficiency and effectiveness.

IBS represents a significant part of our construction process. IBS utilises techniques, products, components or building systems which involve prefabricated components and on-site installation. The use of IBS assures valuable advantages such as the reduction of unskilled workers, less wastage, less volume of building materials, increased environmental and construction site cleanliness and better quality control, among others. These advantages also promote a safer and more organised construction site, and reduce completion time of construction.

We also utilise steel (as opposed to timber) formwork in most of our construction activities. Compared to the traditional timber formwork, the steel formwork has two (2) major advantages – speed of construction and lower life-cycle costs. As steel formworks are prefabricated, numerous units of similar properties can be erected at a faster rate. Steel formworks also allow more repeated use as they are able to sustain greater force, thereby lowering construction costs.

**4.5.2 Leisure and Hospitality**

Bukit Gambang Water Park is the first water park in Malaysia to implement the e-value system throughout its park. When entering Bukit Gambang Water Park, guests can prepay a certain amount at the ticketing office and they will be given a wristband with which the prepaid value (e-value) is stored. Guests can also top up their e-value within the water park by paying at our top up counters located within the water park itself. All transactions (such as buying F&B) within Bukit Gambang Water Park can be conducted by putting the wristband against a detector and the value of the transaction will be deducted from the prepaid value. With this system, guests of Bukit Gambang Water Park will be able to enjoy themselves without the hassle of carrying cash.

We are one of the few water park operators in Malaysia to have a locker system using RFID. This eliminates the need for keys as access to one's locker is by way of an RFID wristband. The RFID system also provides better security as each wristband is assigned to one locker only and the assignment of locker is done in the presence of the guest. Unlike conventional lockers using coins or tokens, where the user will be able to use only once every time the correct amount of coins or tokens is inserted into the locker, our RFID lockers allow repeated usage, where the user unlocks the locker by putting the RFID wristband against a detector.

The water slides used in Bukit Gambang Water Park are sourced from a multiple-award winning custom manufacturer of water rides, having been the innovator and supplier of water rides for numerous water parks throughout the world. The wave generator system used in Bukit Gambang Water Park's Coco Beach wave pool, which is capable of generating eight (8) modes of waves from a centralised electronically-controlled system, is also sourced from a globally acclaimed designer and manufacturer of such systems.

## 4. INFORMATION ON OUR GROUP (Cont'd)

## 4.6 TYPES, SOURCES AND AVAILABILITY OF RAW MATERIALS / INPUT

The following are the major types of raw materials and services for our business operations for FYE 2010 and FPE 2011:-

	Value of Purchases	% of Total Group Purchases	Value Of Purchases	% Of Total Group Purchases
	(RM'000)	(%)	(RM'000)	(%)
	FYE 2010		FPE 2011	
<b>Raw Materials and Consumables</b>				
Ready-mixed concrete	4,207	21.1	8,875	26.5
Roofing tiles	946	4.7	693	2.1
Pipe	898	4.5	294	0.9
Ordinary Portland Cement ("OPC")	897	4.5	599	1.8
Doors and windows	728	3.7	610	1.8
Steel bars	705	3.5	7,403	22.1
Piles	692	3.5	64	0.2
Wall and floor tiles	645	3.2	888	2.7
BRC steel	550	2.8	3,267	9.7
Cement-sand bricks	542	2.7	837	2.5
Sand	407	2.0	358	1.1
Other raw materials and consumables <sup>(1)</sup>	8,733	43.8	9,615	28.6
<b>TOTAL</b>	<b>19,950<sup>(2)</sup></b>	<b>100.0</b>	<b>33,503<sup>(2)</sup></b>	<b>100.0</b>
<b>Sub-contracted Services</b>				
Road works	3,314	10.8	2,324	8.1
Electrical works	2,622	8.6	1,121	3.9
Earthworks	1,939	6.3	2,308	8.1
Roof trusses	1,559	5.1	1,448	5.1
Tiling works	1,141	3.7	189	0.6
Plumbing works	896	2.9	1,478	5.2
External sewerage works	845	2.8	405	1.4
Ceiling works	793	2.6	900	3.1
Fence and gate works	742	2.4	291	1.0
Aluminium works	610	2.0	450	1.6
Water reticulation works	608	2.0	309	1.1
Structure works	74	0.2	4,652	16.3
Other sub-contractor works	15,491	50.6	12,752	44.5
<b>TOTAL</b>	<b>30,634<sup>(3)</sup></b>	<b>100.0</b>	<b>28,627<sup>(3)</sup></b>	<b>100.0</b>

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**4. INFORMATION ON OUR GROUP (Cont'd)**

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Notes:-

- (1) *Other raw materials and consumables include expenses on landscape items, zinc sheets, fire extinguishers, sewerage for our Group's property development core business division and purchase of F&B for our Group's leisure and hospitality core business division.*
- (2) *This represents our Group's total purchases of raw materials and consumables, after exclusion of inter-company transactions.*
- (3) *This represents our Group's total sub-contracted services, after exclusion of inter-company transactions.*

We source all of our materials and services from local manufacturers, suppliers and sub-contractors. As at LPD, our Group has not experienced any shortages in the supply of materials and sub-contractor services.

Any increase in the price of materials and/or services of manufacturers, suppliers and sub-contractors may affect our profitability. In order to mitigate the financial impact arising from the fluctuation in the prices of materials, we will continue to monitor closely the prices of these materials and maintain a list of alternative suppliers for price comparison. Similarly, to ensure that sub-contractor fees are reasonable, major sub-contracted works will be subjected to open tender process.

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## 4. INFORMATION ON OUR GROUP (Cont'd)

## 4.7 APPROVALS, MAJOR LICENCES AND PERMITS OBTAINED

Details of the approvals obtained by us for our Listing from the SC, ECU and MITI together with the conditions imposed by these authorities and the status of compliance are set out in Section 7.1 of this Prospectus. Other approvals, major licences and permits obtained by our Group for the operation of business, other than those pertaining to general business registration requirements are as follows:-

## (i) Sentoria Harta

Project	Description of approval / licence / permit / registration	Licence / Reference No.	Date of issuance or commencement / expiry	Authority	Major Conditions Imposed	Status of compliance
<b>Taman Indera Sempurna 2 (Block D)</b> Single-storey terrace house: (a) Type H - 200 units (b) Type I - 234 units (c) Type J - 180 units	Planning Approval	(6)d/m.MPK/R/A:PT/1-16/2005/ZU18-TK SJ. 1	18.12.2008 / 17.12.2009 <sup>(1)</sup>	Kuantan Municipal Council	Nil	Not applicable
	Building Approval	(12)d/m.MPK/R/B:PB/01/2009-1	10.02.2009 / 09.02.2010 <sup>(1)</sup>	Kuantan Municipal Council	Nil	Not applicable
	Housing Developer Licence	9070-7/03-2012/184	02.03.2009 / 01.03.2012	Ministry of Housing and Local Government	Nil	Not applicable
	Advertising Permit	9070-7/683/2012(03) <sup>(2)</sup>	06.04.2011 / 01.03.2012	Ministry of Housing and Local Government	Nil	Not applicable
<b>Taman Indera Sempurna 2 (Block E)</b> (a) Single-storey semi detached house - 278 units (b) Single-storey bungalow - 9 units	Planning Approval	(38)d/m.MPK/R/A:PT/1-16/2005/ZU18-TK Jld. 4	06.09.2010 / 05.09.2011 <sup>(1)</sup>	Kuantan Municipal Council	Nil	Not applicable
	Building Approval	(14)d/m.MPK/R/B:PB 151/2010-H	11.10.2010 / 10.10.2011 <sup>(1)</sup>	Kuantan Municipal Council	Nil	Not applicable
	Housing Developer Licence	9070-8/09-2013/1115	30.09.2010 / 29.09.2013	Ministry of Housing and Local Government	Nil	Not applicable
	Advertising Permit	9070-8/1910/2012 (10)	Brochure - 14.10.2011 / 13.10.2012 Newspaper - 14.10.2011 / 13.10.2012	Ministry of Housing and Local Government	Nil	Not applicable

## 4. INFORMATION ON OUR GROUP (Cont'd)

## (i) Sentoria Harta (Cont'd)

Project	Description of approval / licence / permit / registration	Licence / Reference No.	Date of issuance or commencement / expiry	Authority	Major Conditions Imposed	Status of compliance
<b>Taman Indera Sempurna 2 (Block F)</b> Double-storey shop office - 34 units	Planning Approval	(27)d/m.MPK/R/A:PT/1-16/2005/ZU18 JLD 5	03.09.2010 / 02.09.2011 <sup>(1)</sup>	Kuantan Municipal Council	Nil	Not applicable
	Building Approval	(16)d/m.MPK/R/B:PB 79/2010-1	20.08.2010 / 19.08.2011 <sup>(1)</sup>	Kuantan Municipal Council	Nil	Not applicable
<b>Arabian Bay</b>	Planning Approval	(47)d/m.MPK/R/A:PT/1-1/2010/ZU20	12.04.2010 / 11.04.2011 <sup>(1)</sup>	Kuantan Municipal Council	Nil	Not applicable
	Building Approval	(25)d/m.MPK/R/B:PB2 0/2010-A	12.04.2010 / 11.04.2011 <sup>(1)</sup>	Kuantan Municipal Council	Nil	Not applicable

## (ii) Sentoria Alam

Project	Description of approval / licence / permit / registration	Licence / Reference No.	Date of issuance or commencement / expiry	Authority	Major Conditions Imposed	Status of compliance
<b>Desa Hijauan (Phase 1)</b> (a) Single-storey low cost terrace house - 147 units (b) Single-storey low medium cost terrace house - 144 units (c) Single-storey terrace house (Lily) - 96 units (d) Single-storey terrace house (Orkid) - 134 units (e) Single-storey terrace house (Tulip) - 168 units	Planning Approval	(31)d/m.MPK/R/A:PT/1-1/2006/ZU20-TK	17.04.2007 / - 16.04.2008 <sup>(1)</sup>	Kuantan Municipal Council	Nil	Not applicable
	Building Approval	(13)d/m.MPK/R/B:PB/8 8/2007-A	22.06.2007 / 21.06.2008 <sup>(1)</sup>	Kuantan Municipal Council	Nil	Not applicable
	Housing Developer Licence	10495-1/09-2013/1121	12.09.2011 / 11.09.2013	Ministry of Housing and Local Government	Nil	Not applicable
	Advertising Permit	10495-1/1911/2012(09)	Brochure - 22.09.2011 / 21.09.2012	Ministry of Housing and Local Government	Nil	Not applicable

## 4. INFORMATION ON OUR GROUP (Cont'd)

## (ii) Sentoria Alam (Cont'd)

Project	Description of approval / licence / permit / registration	Licence / Reference No.	Date of issuance or commencement / expiry	Authority	Major Conditions Imposed	Status of compliance
<b>Desa Hijauan (Phase 2)</b> (a) Single-storey semi-detached house - 218 units (b) Single-storey bungalow - 15 units	Planning Approval	(31)dIm.MPK/R/A:PT/1-1/2006/ZU20-TK	17.04.2007 / - 16.04.2008 <sup>(1)</sup>	Kuantan Municipal Council	Nil	Not applicable
	Building Approval	(11)dIm.MPK/R/B:PB3 2/2009-I	24.04.2009 / 23.04.2010 <sup>(1)</sup>	Kuantan Municipal Council	Nil	Not applicable
	Housing Developer Licence	10495-2/06-2012/560	17.06.2009 / 16.06.2012	Ministry of Housing and Local Government	Nil	Not applicable
	Advertising Permit	10495-2/1201/2012(06)	Brochure - 19.06.2011 / 18.06.2012 Newspaper -- 13.07.2011 / 18.06.2012	Ministry of Housing and Local Government	Nil	Not applicable
<b>Taman Bukit Rangin</b> (a) Single-storey terrace house - 378 units (b) Single-storey semi-detached house - 70 units	Planning Approval	(32) dIm.MPK/R/A:PT/1-5091/2011/KK	01.12.2011 / 30.11.2012	Kuantan Municipal Council	Nil	Not applicable
	Building Approval	(6) dIm.MPK/R/B:PB/177/ 2011-B	19.12.2011 / 18.12.2012	Kuantan Municipal Council	Nil	Not applicable

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4. INFORMATION ON OUR GROUP (Cont'd)

(iii) Sentoria

Project	Description of approval / licence / permit / registration	Licence / Reference No.	Date of issuance or commencement / expiry	Authority	Major Conditions Imposed	Status of compliance
Global Heritage Southern Precinct	Planning Approval	(15)d/m.MPK/R/A:PT/1-5016/2011/HL	_(3)	Kuantan Municipal Council	Nil	Not applicable
	Building Approvals	(11)d/m.MPK/R/B:PB/148/2011-B	10.11.2011 / 09.11.2012	Kuantan Municipal Council	Nil	Not applicable
		(12)d/m.MPK/R/B:PB/147/2011-B	10.11.2011 / 09.11.2012	Kuantan Municipal Council	Nil	Not applicable

(iv) Sentoria Vacation Club

Description of approval / licence / permit / registration	Licence / Reference No.	Date of issuance or commencement / expiry	Authority	Major Conditions Imposed	Status of compliance
Direct Sales License	AJL 931871	27.01.2011 / 26.01.2013	Ministry of Domestic Affairs	License holder shall notify immediately the Ministry of Domestic Affairs in the event of change of name of company, address, telephone, fax number as well as the equity structure of the company.	Not applicable

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## 4. INFORMATION ON OUR GROUP (Cont'd)

## (iv) Sentoria Vacation Club (Cont'd)

Description of approval / licence / permit / registration	Licence / Reference No.	Date of issuance of commencement / expiry	Authority	Major Conditions Imposed	Status of compliance
Approval for Time-Sharing Scheme	SSM/BPP/SK/MISC/0022	25.02.2010	Companies Commission of Malaysia	The following terms have to be stated under the trust deed: (i) Sentoria Vacation Club is responsible to ensure that strata titles are transferred to its name as soon as possible; (ii) The trustee is responsible to take action or proactive steps to cause the strata titles to be transferred to the name of Sentoria Vacation Club; (iii) Schedule in respect of percentage and total membership buy-back have been agreed upon.	Complied
Approval for Appointment of Trustee	SSM/BPP/SK/MISC/0022	12.05.2010	Companies Commission of Malaysia	Nil	Not applicable
Approval for Trust Deed	SSM/BPP/SK/MISC/0022	23.07.2010	Companies Commission of Malaysia	Nil	Not applicable

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## 4. INFORMATION ON OUR GROUP (Cont'd)

## (v) Sentoria Bina

Description of approval / licence / permit / registration	Licence / Reference No.	Date of issuance or commencement / expiry	Authority	Major Conditions Imposed	Status of compliance
CIDB Registration	1000310-NS055561	10.05.2009 / 09.05.2012	Construction Industry Development Board Malaysia	Nil	Not applicable

## (vi) Sentoria Themeparks

Description of approval / licence / permit / registration	Licence / Reference No.	Date of issuance or commencement / expiry	Authority	Major Conditions Imposed	Status of compliance
Hotel Industry (Provision of packages and facilities for courses, seminars and other related activities)	-	24.11.2009 / 23.11.2012	Ministry of Finance Malaysia	Nil	Not applicable
Entertainment licence (monthly activities) in respect of the premise of Bukit Gambang Water Park and Bukit Gambang Resort being used for the purposes of entertainment (outdoor amusement park)	620125921	01.01.2012 / 31.03.2012	Kuantan Municipal Council	Nil	Not applicable
Entertainment licence (monthly activities) in respect of the premise of Bukit Gambang Resort being used for the purposes of entertainment (for the usage of TV screens, karaoke boxes, snooker, billiard, kid rides and electronic machines)	620125922	01.01.2012 / 31.03.2012	Kuantan Municipal Council	Nil	Not applicable
Premise/ advertisement licence (Hotel licence – for 501 units and above)	-	11.01.2012 / 10.01.2013	Kuantan Municipal Council	Nil	Not applicable
Premise/ advertisement licence (Hotel licence – for 101 units and above)	-	01.01.2011 / 31.12.2011 <sup>(5)</sup>	Kuantan Municipal Council	Nil	Not applicable
Licence to operate a place of entertainment at Bukit Gambang Water Park (including the operation of an outdoor amusement park, food stalls and restaurants)	620127029	01.01.2012 / 30.06.2012	Kuantan Municipal Council	Nil	Not applicable

## 4. INFORMATION ON OUR GROUP (Cont'd)

## (vi) Sentoria Themeparks (Cont'd)

Description of approval/licence/permit/registration	Licence / Reference No.	Date of issuance of commencement / expiry	Authority	Major Conditions Imposed	Status of compliance
Licence to operate a place of entertainment at Caribbean Bay (including the operation of an outdoor and an indoor amusement park)	620127030	01.01.2012/ 30.06.2012	Kuantan Municipal Council	Nil	Not applicable
Planning Approval in respect of the Bukit Gambang Safari Park to be constructed in Bukit Gambang Resort	(35)dIm.MPK/R/A:P T/1-6/2010ZU20	27.04.2011 / 26.04.2012	Kuantan Municipal Council	Nil	Not applicable
Building Approval in respect of the Bukit Gambang Safari Park to be constructed in Bukit Gambang Resort	(12)dIm.MPK/R/B:P B/68/2011-A	16.06.2011 / 15.06.2012	Kuantan Municipal Council	Nil	Not applicable
Film Exhibition License (license to take part in film exhibition in Bukit Gambang Resort)	EV/12/00243/KTV	08.06.2011 / 07.06.2012	National Film Development Corporation Malaysia (FINAS)	Nil	Not applicable
Halal Certificate – Main Kitchen (Banquet) at Bukit Gambang Resort	H0831	01.11.2011 / 31.10.2012	Majlis Ugama Islam Adat Resam Melayu Pahang	Nil	Not applicable
Halal Certificate – Kitchen and Caribbean Coffee House at Bukit Gambang Resort	H0832	01.11.2011 / 31.10.2012	Majlis Ugama Islam Adat Resam Melayu Pahang	Nil	Not applicable
Halal Certificate – Penguin Express at Bukit Gambang Resort	H0827	01.12.2011 / 30.11.2012	Majlis Ugama Islam Adat Resam Melayu Pahang	Nil	Not applicable
Halal Certificate - Coco Pizza at Bukit Gambang Resort	H0826	01.12.2011 / 30.11.2012	Majlis Ugama Islam Adat Resam Melayu Pahang	Nil	Not applicable
Halal Certificate - Sempurna Café and Kitchen at Sempurna Resort	H0766	01.06.2011 / 31.05.2012	Majlis Ugama Islam Adat Resam Melayu Pahang	Nil	Not applicable
Registration of accommodation premise ("Registration") - Caribbean Bay	2393	14.06.2011 <sup>(4)</sup>	Commissioner of Tourism	Nil	Not applicable
Registration - Sempurna Resort	2391	20.06.2011 <sup>(4)</sup>	Commissioner of Tourism	Nil	Not applicable

## 4. INFORMATION ON OUR GROUP (Cont'd)

## (vii) Sentoria Properties

Project	Description of approval / licence / permit / registration	Licence / Reference No	Date of issuance or commencement / expiry	Authority	Major Conditions Imposed	Status of compliance
Fasa Bunga Raya	Housing Developer License	8514-2/03-2014/365	25.03.2011 / 24.03.2014	Ministry of Housing and Local Government	Nil	Not applicable
	Advertising permit	8514-2/617/2012(03)	29.03.2011 / 28.03.2012	Ministry of Housing and Local Government	Nil	Not applicable

Notes:-

- (1) Extension of time is not required as construction has commenced within one (1) year from the date of approval.
- (2) This advertising permit is in respect of 16 unsold units of single-storey terrace house in Block D, Taman Indera Sempurna 2.
- (3) Sentoria has obtained an approval-in-principle in respect of the planning approval via letter dated 2 June 2011. The planning approval will be issued subsequently upon fulfilment of the conditions in the approval-in-principle letter dated 2 June 2011.
- (4) Sempurna Resort and Caribbean Bay first obtained the Registration on 18 May 2009 and 14 June 2011 respectively. However, both Sempurna Resort and Caribbean Bay commenced operations prior to the Registration. Notwithstanding this, no penalty or fine has been imposed on our Group, whether retrospectively or otherwise, at the point of obtaining the Registration. Further, the Registration for Sempurna Resort dated 18 May 2009 was issued under the name of Sempurna Resort Sdn. Bhd. (now known as Imperia Hotels & Resorts Sdn Bhd). The Ministry of Tourism had subsequently issued a replacement Registration dated 20 June 2011 in the name of Sempurna Resort.
- (5) As at 11 January 2012, Sentoria Themeparks is in the midst of making the necessary payments for the renewal of this premise/advertisement licence for the year 2012 with the relevant authorities.

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#### 4. INFORMATION ON OUR GROUP (Cont'd)

##### 4.8 MAJOR BRAND NAMES, PATENTS, TRADEMARKS, LICENCES, TECHNICAL ASSISTANCE AGREEMENTS, FRANCHISES, OTHER INTELLECTUAL PROPERTY RIGHTS, INDUSTRIAL, COMMERCIAL OR FINANCIAL CONTRACTS

As at LPD, our Group does not have any brand name, patent, trademark, technical assistance agreement, franchise or any other intellectual property right, other than those disclosed below.


Under the Trade Mark Act 1976 and Trade Mark Regulations 1997, all trademarks have to be registered before a trademark can be adopted in relation to any goods or services. The Registrar of Trade Marks is the authority for the registration of trademarks in Malaysia. Registration of trademarks shall be valid for a period of ten (10) years, and may be renewed from time to time.

The table below sets out our trademarks:-

Trademark	Owner	Effective period	Date of Certificate	Trademark No.	Class <sup>(1)</sup>
	Sentoria	30 January 2008 - 30 January 2018	6 August 2009	08001856	43
	Sentoria	30 January 2008 - 30 January 2018	31 December 2010	08001858	41
	Sentoria Themeparks	21 September 2007 - 21 September 2017	12 January 2009	07018668	43
	Sentoria Themeparks	21 September 2007 - 21 September 2017	5 January 2010	07018669	41

**4. INFORMATION ON OUR GROUP (Cont'd)**

We have via a letter dated 9 November 2011 received the approval from MyIPO (Perbadanan Hak Intelek Malaysia) for the registration of the following trademark. As at LPD, we are still in the process of completing the documentation and registration of the said trademark.

Trademark	Applicant	Class <sup>(1)</sup>
	Sentoria Themeparks	43

We have also applied to MyIPO (Perbadanan Hak Intelek Malaysia) for the registration of the following trademarks, which is still pending approval:-

Trademark	Applicant	Class <sup>(1)</sup>
	Sentoria	35, 36, 37, 41 and 43
	Sentoria Themeparks	35 and 41
	Sentoria Themeparks	41 and 43
	Sentoria Themeparks	41 and 43
	Sentoria	41
	Sentoria Themeparks	41 and 43
	Sentoria Themeparks	41
	Sentoria Themeparks	35
	Sentoria	41 and 43

Note:-

(1)	Class	Description
	35	Advertising; business management; business administration; office functions
	36	Insurance; financial affairs; monetary affairs; real estate affairs
	37	Building construction; repair; installation services

#### 4. INFORMATION ON OUR GROUP (Cont'd)

- 41 *Education; providing of training; entertainment; sporting and cultural activities*
- 43 *Services for providing food and drink; temporary accommodation*

As at LPD, there are no other patents or licenses, industrial, commercial or financial contracts (including informal arrangements or understandings) or new manufacturing processes, which have been entered into by us that we are highly dependent on or that are material to our business and/or profitability.

#### 4.9 QUALITY CONTROL / MANAGEMENT PROCEDURES / PROGRAMMES

##### 4.9.1 Property Development

Our Group has always placed significant emphasis on the quality of our properties and adheres to stringent quality standards. To assert our emphasis on quality, Sentoria Bina is certified with ISO 9001 : 2008.

We employ quality control measures at various stages of project development. This is being conducted through constant meetings, reporting and progressive monitoring and close supervision of work undertaken. We have a team of dedicated and experienced project managers and site supervisors to closely monitor the design and construction of our properties.

Our Group also works closely with architects, civil engineers, structural engineers, mechanical and electrical personnel and interior designers.

##### 4.9.2 Leisure and Hospitality

In respect of our leisure and hospitality assets, we have in place safety measures such as on-going maintenance protocols and procedures where we consistently monitor and maintain such assets to ensure they are in good working condition and also to reduce the likelihood of major maintenance / rectification works which could interrupt our operations.

We have in place standard operating procedures to ensure coherence in our operations as well as consistency in the services that we deliver. We also review and update these standard operating procedures from time to time in line with the growth in our operations.

We view our guests' safety as our top priority. In Bukit Gambang Water Park, our first-aid room is equipped with cardiopulmonary-resuscitation (CPR) facilities. All our lifeguards are adequately trained to enable them to perform their duties. The equipments used in our water rides are also subject to yearly maintenance.

Our F&B service personnel have undergone the necessary checkups and obtained the requisite certificates in order to perform their duties. Further, our premises have also undergone inspection by various local authorities such as Majlis Perbandaran Kuantan. We are also subject to an annual inspection by the Jabatan Kemajuan Islam Malaysia. Thus far, we have not been subject to any form of penalty as a result of non-compliance.

Our Group also has feedback forms as an avenue for guests to provide feedback on our products / services. Such forms assist us in studying the needs and preferences of guests in respect of our leisure and hospitality services and facilitate continuous improvement of our processes, methodology and quality of our products and services.



#### 4. INFORMATION ON OUR GROUP (Cont'd)

##### 4.10 R&D

Our Group continuously strives for incremental improvements to our construction expertise and hospitality service excellence. As such, our R&D activities are mainly focused on determining the type of properties to be developed, refinement of theme park attractions as well as improving the operational processes for both our core business divisions. As such, some of the areas of R&D undertaken by our Group include:-

- (i) Concepts and designs;
- (ii) Process flow;
- (iii) Consumer behaviour and lifestyle trends;
- (iv) Market, user need and customer satisfaction survey;
- (v) Competitive pricing and peer studies; and
- (vi) Building material sourcing and applications.

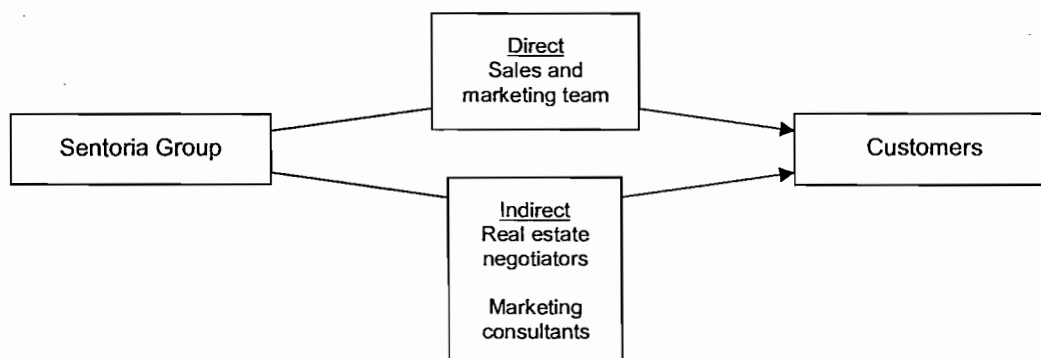
Our R&D activities are also undertaken jointly with architects, engineers, interior designers as well as suppliers.

##### 4.11 INTERRUPTIONS IN BUSINESS FOR THE PAST TWELVE (12) MONTHS

There has not been any interruption in the form of trade disputes or major operational breakdown occurring within and outside our Group that may significantly impair our Group's business performance during the past twelve (12) months preceding the date of this Prospectus.

##### 4.12 MODES OF MARKETING / DISTRIBUTION / SALES

###### 4.12.1 Property Development



Our real estate properties are marketed directly to customers or through real estate negotiators and marketing consultants. However, we do not appoint any real estate negotiator or marketing consultant on an exclusive basis.

**4. INFORMATION ON OUR GROUP (Cont'd)**

In respect of our property development core business division, the marketing strategies employed by our Group include, amongst others, the following:-

- (i) Special introductory prices for "early birds";
- (ii) Effective and attractive advertisements and roadshows;
- (iii) Focusing on target consumer groups; and
- (iv) Absorption of legal fees on sale and purchase documentation.

Our Group has a main gallery located at Kuantan, supported by two (2) other galleries in Kuala Lumpur and Bukit Gambang Resort which conduct promotions and marketing activities throughout the year. In addition, to promote our products and identify new sales and marketing opportunities, our Group also actively participates in exhibitions by setting up sales booths to exhibit our Group's developments.

Our Group has participated in the following exhibitions:-

Year	Date	Location	Exhibition participated
2008	22 - 24 August	Putra World Trade Centre, Kuala Lumpur	Matta Fair
	5 - 7 September	Putra World Trade Centre, Kuala Lumpur	Bumi Expo
	24 - 26 October	Mid Valley Megamall, Kuala Lumpur	Bumiputera Property Exhibition 2008
	7 - 9 November	Mid Valley Megamall, Kuala Lumpur	Malaysia Property Exposition ("MAPEX") 2008 - REHDA Malaysia
	5 - 7 December	Putra World Trade Centre, Kuala Lumpur	Malaysia International Property Show Case
2009	6 - 8 March	Mid Valley Megamall, Kuala Lumpur	MAPEX 2009 - REHDA Malaysia
	16 - 18 July	Mid Valley Megamall, Kuala Lumpur	MAPEX 2009 - REHDA Malaysia
	23 - 25 July	Berjaya Megamall, Kuantan	MAPEX 2009 - REHDA Pahang
2010	11 - 16 March	KB Mall, Kota Bharu	MAPEX 2010 - REHDA Kelantan
	19 - 21 March	Mid Valley Megamall, Kuala Lumpur	MAPEX 2010 - REHDA Malaysia
	2 - 4 April	East Coast Mall, Kuantan	MAPEX 2010 - REHDA Pahang
	16 - 18 July	Mid Valley Megamall, Kuala Lumpur	MAPEX 2010 - REHDA Malaysia
	23 - 25 July	Berjaya Megamall, Kuantan	MAPEX 2010 - REHDA Pahang
	4 - 7 November	East Coast Mall, Kuantan	Ekspo Beli Barangan Malaysia dan Peluang Pemiagaan Francais Peringkat Zon Timur 2010
2011	7 - 9 January	Mid Valley Megamall, Kuala Lumpur	Bumiputera Property Exhibition 2011
	18 - 20 March	Mid Valley Megamall, Kuala Lumpur	MAPEX 2011 - REHDA Malaysia
	15 - 17 April	East Coast Mall, Kuantan	MAPEX 2011 - REHDA Pahang
	29 April - 1 May	Shah Alam Convention Centre, Shah Alam	Bumi Expo - Property & Lifestyle
	29 April - 1 May	Mid Valley Megamall, Kuala Lumpur	iProperty.com Expo
	27 - 29 May	Putrajaya	Hari Belia Negara Putrajaya
	10 - 12 June	Shah Alam Convention Centre, Selangor	Selangor Lifestyle & Property Fair
1 - 3 July	Mid Valley Megamall, Kuala Lumpur	MAPEX 2011 - REHDA Malaysia	

**4. INFORMATION ON OUR GROUP (Cont'd)**

Year	Date	Location	Exhibition participated
	8 - 10 July	Putra World Trade Centre, Kuala Lumpur	Bumiputera Property Exhibition 2011
	22 - 24 July	Berjaya Megamall, Kuantan	MAPEX 2011 - REHDA Pahang
	8 - 12 September	Alamanda Shopping Centre, Putrajaya	Alamanda Putrajaya Exhibition
	28 September - 1 October	Universiti Malaysia Pahang	Sekretariat Expoconvo '11
	21 - 23 October	Mid Valley Megamall, Kuala Lumpur	MAPEX 2011 - REHDA Malaysia
	28 - 30 October	Kuantan Parade, Kuantan	MAPEX 2011 - REHDA Pahang
	16 - 18 December	Mid Valley Megamall, Kuala Lumpur	Bumiputera Property Exhibition 2011

As part of our sales and marketing programme, we periodically set up sales booths in malls and hypermarkets that have high people traffic in Kuantan, Kuala Terengganu and Kuala Lumpur to continuously sell and promote our Group's properties. These include, amongst others:-

- (i) Berjaya Megamall, Kuantan
- (ii) East Coast Mall, Kuantan
- (iii) Giant Hypermarket, Kuantan
- (iv) KB Mall, Kota Bahru
- (v) Kuantan Parade, Kuantan
- (vi) Mesra Mall, Kerteh
- (vii) Mid Valley Megamall, Kuala Lumpur
- (viii) Mydin Mall, Kuala Terengganu
- (ix) Mydin MITC, Melaka
- (x) Mydin Mall, USJ Subang Jaya

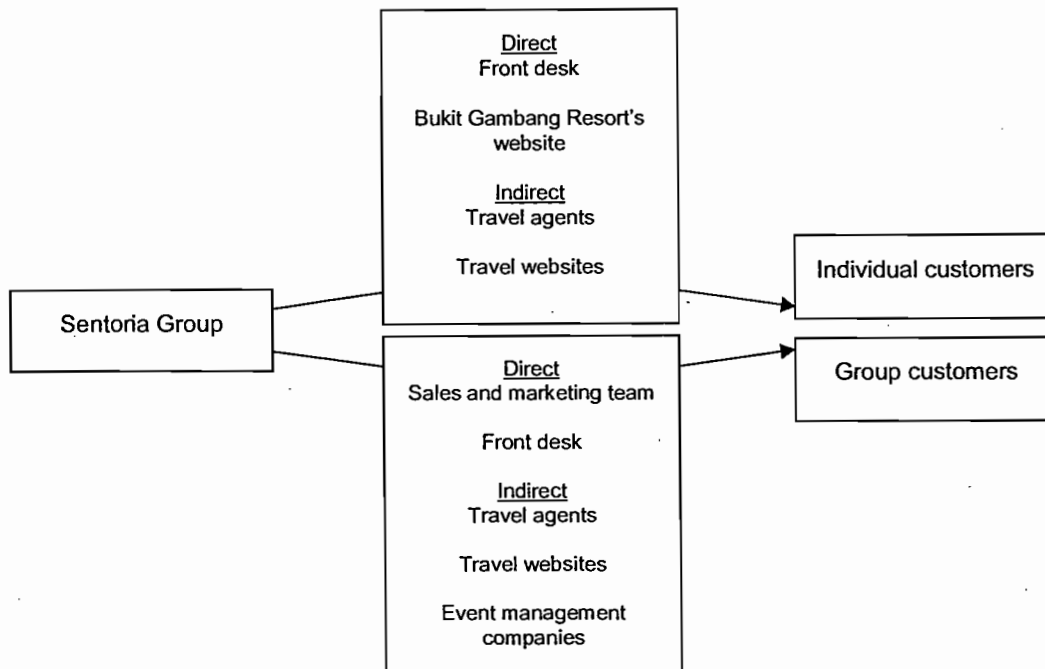
Our Group also promotes and advertises in local newspapers and magazines. These include, but are not limited to, the following:-

- (i) Berita Harian
- (ii) China Press
- (iii) Harian Metro
- (iv) Nanyang Siang Pau
- (v) Sin Chew Daily
- (vi) The Star
- (vii) Utusan Malaysia

As at LPD, we have 11 marketing personnel for our property development core business division.

#### 4. INFORMATION ON OUR GROUP (Cont'd)

##### 4.12.2 Leisure and Hospitality



Currently, our leisure and hospitality operations include Bukit Gambang Resort and Sempurna Resort. Moving forward, our leisure and hospitality operations will also encompass our future resort city developments, such as further developments of Bukit Gambang Resort and Morib Beach Resort.

Individual customers have access to our leisure and hospitality offerings by enquiring at our front desk or through Bukit Gambang Resort's website ([www.bgrc.com.my](http://www.bgrc.com.my)). They may also contact travel agents or log on to travel websites to make reservations for our resort-style accommodations. Some of the travel websites which feature Bukit Gambang Resort include, among others, the following:-

- (i) [www.agoda.com](http://www.agoda.com)
- (ii) [www.cuti.com.my](http://www.cuti.com.my)
- (iii) [www.asiarooms.com](http://www.asiarooms.com)

Group customers have access to our leisure and hospitality offerings through our sales and marketing team, our front desk, travel agents, travel websites and event management companies.

As at LPD, we have a dedicated sales and marketing team of 21 personnel segregated into different teams serving the needs of different customer groups, such as:-

- (i) Corporate sector;
- (ii) Public sector; and
- (iii) Associations, travel agents, event management companies and others.

**4. INFORMATION ON OUR GROUP (Cont'd)**

We have tailored different packages for different customer groups. These include packages for families, schools, corporate guests and government institutions, among others.

To promote Bukit Gambang Resort, we have organised familiarisation trips to Bukit Gambang Resort for media and travel agents. We also participated in trade shows in Malaysia and Singapore such as the following:-

Year	Date	Location	Trade shows participated
2009	28 - 30 August	Singapore Expo Hall, Singapore	NATAS Holiday 2009
	4 - 6 September	Putra World Trade Centre, Kuala Lumpur	Matta Fair Kuala Lumpur
2010	12 - 14 March	Putra World Trade Centre, Kuala Lumpur	Matta Fair Kuala Lumpur
	14 - 16 May	Putra World Trade Centre, Kuala Lumpur	Malaysian Domestic Tourism Fair
	9 - 11 July	Terminal One Shopping Centre, Seremban	Matta Fair Negeri Sembilan
	23 - 25 July	Danga City Mall, Johor Bahru	Matta Fair Johor
	6 - 8 August	Dataran Pahlawan Melaka Megamall, Melaka	Matta Fair Melaka
	3 - 5 September	Putra World Trade Centre, Kuala Lumpur	Matta Fair Kuala Lumpur
	15 - 17 October	Suntec Singapore International Convention & Exhibition Centre, Singapore	Travel Malaysia Fair, Singapore
27- 28 November	Kuala Lumpur Convention Centre, Kuala Lumpur	The Star Kids Fair	
2011	14 - 16 January	Mid Valley Megamall, Kuala Lumpur	Baby & Junior Fair
	11 - 13 March	Putra World Trade Centre, Kuala Lumpur	Matta Fair Kuala Lumpur
	6 - 10 April	The Spring Mall, Kuching	Misi Jualan Domestik
	29 April - 1 May	Suntec City Mall, Singapore	Fascinating Malaysia Travel Fair
	14 - 15 May	Suntec Singapore International Convention & Exhibition Centre, Singapore	Travel Malaysia Fair, Singapore
	27 - 29 May	Putrajaya	Youth Tourism Fair
	4 - 5 July	Sime Darby Convention Centre, Kuala Lumpur	MAICSA Annual Conference
	15 - 17 July	Danga City Mall, Johor Bahru	Matta Fair Johor
	26 - 29 July	Empire Hotel, Subang Jaya	Corporate Travel Bazaar 2
	12 - 14 August	Putra World Trade Centre, Kuala Lumpur	Matta Fair Kuala Lumpur
	4 - 6 October	Bangkok Convention Centre, Central World, Thailand	Incentive Travel & Conventions, Meetings and Corporate Travel World Asia-Pacific
	14 - 26 October	Suntec City Mall, Singapore	Fascinating Malaysia Travel Fair
	19 - 21 October	Suntec Singapore International Convention & Exhibition Centre, Singapore	International Trade Berlin Asia
4 - 6 November	Singapore Expo Convention & Exhibition Centre	Travel Malaysia 2011	

#### 4. INFORMATION ON OUR GROUP (Cont'd)

Since the opening of Bukit Gambang Resort, we have organised a string of special events to create publicity and market awareness, they are:-

Date	Event	Description
17 November - 5 December 2010 and 19 - 30 November 2011	Monsoon Festival	<p>This event was held in conjunction with the monsoon season and features exciting activities for individuals and groups such as the Water Festival where guests battle each other in water pump-gun duals and the Family and Friends Explorace where participating groups solve puzzles and overcome obstacles and race each other to the finishing line for a grand prize of RM1,500.</p> <p>Another exciting feature of Monsoon Festival is the Ultimate Challenge, a cross country race where participants undergo a test of physical and psychological endurance to conquer the undulating terrain of Bukit Gambang.</p>
1 - 27 June 2010 and 28 May - 9 June 2011	East Coast Discovery	Organised with the assistance of Tourism Malaysia (Pahang), this event took place during the mid-year school holidays and showcased the arts and cultures of the East Coast states of Pahang, Terengganu and Kelantan. The activities included batik painting and exhibition, wau bulan making, top-spinning exhibition, cultural dance performances, night bazaar and exhibits on turtle and the historical mining town of Sungai Lembing.

In view of the overwhelming response for Monsoon Festival and East Coast Discovery, we have decided to make them annual crowd-pullers in Bukit Gambang Resort. In addition, to further promote Bukit Gambang Resort as a gateway to tourism offerings in Pahang, we also work closely with various Pahang state tourism authorities such as Majlis Tindakan Pelancungan Negeri Pahang, Tourism Malaysia (Pahang), Perbadanan Kemajuan Bukit Fraser in organising and conducting various tourism-related events and activities.

#### 4.13 OUR SUBSIDIARIES

##### 4.13.1 Sentoria Properties

###### (a) Background and History

Sentoria Properties was incorporated in Malaysia under the Act on 26 February 1999 as a private limited company and commenced its operations in 1999.

###### (b) Principal Activities and Products / Services

Sentoria Properties is principally engaged in property development.

###### (c) Substantial Shareholders

Sentoria Properties is a wholly-owned subsidiary of our Company.

#### 4. INFORMATION ON OUR GROUP (Cont'd)

##### (d) Share Capital

The authorised share capital of Sentoria Properties is RM500,000 comprising 500,000 ordinary shares of RM1.00 each. The issued and fully paid-up share capital of Sentoria Properties as at LPD is RM300,000, comprising 300,000 ordinary shares of RM1.00 each.

The changes in the issued and fully paid-up share capital of Sentoria Properties since its incorporation are as follows:-

Date of Allotment	No. of Shares allotted	Par Value (RM)	Consideration	Cumulative Issued and Paid-up Share Capital (RM)
26.02.1999	3	1.00	Cash	3
26.05.1999	49,997	1.00	Cash	50,000
23.05.2001	250,000	1.00	Cash	300,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital of Sentoria Properties.

##### (e) Subsidiaries and Associates

As at LPD, Sentoria Properties does not have any subsidiary or associated company.

#### 4.13.2 Sentoria Harta

##### (a) Background and History

Sentoria Harta was incorporated in Malaysia under the Act on 23 November 2002 as a private limited company and commenced its operations in 2002.

##### (b) Principal Activities and Products / Services

Sentoria Harta is principally engaged in property development.

##### (c) Substantial Shareholders

Sentoria Harta is a wholly-owned subsidiary of our Company.

##### (d) Share Capital

The authorised share capital of Sentoria Harta is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. The issued and fully paid-up share capital of Sentoria Harta as at LPD is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

**4. INFORMATION ON OUR GROUP (Cont'd)**

The changes in the issued and fully paid-up share capital of Sentoria Harta since its incorporation are as follows:-

Date of Allotment	No. of Shares allotted	Par Value (RM)	Consideration	Cumulative Issued and Paid-up Share Capital (RM)
23.11.2002	2	1.00	Cash	2
17.03.2003	99,998	1.00	Cash	100,000
26.05.2003	150,000	1.00	Cash	250,000
12.06.2007	750,000	1.00	Cash	1,000,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital of Sentoria Harta.

**(e) Subsidiary and Associated Company**

As at LPD, Sentoria Harta does not have any subsidiary or associated company.

**4.13.3 Sentoria Alam****(a) Background and History**

Sentoria Alam was incorporated in Malaysia under the Act on 22 August 2003 as a private limited company and commenced its operations in 2005.

**(b) Principal Activities and Products / Services**

Sentoria Alam is principally engaged in property development.

**(c) Substantial Shareholders**

Sentoria Alam is a wholly-owned subsidiary of our Company.

**(d) Share Capital**

The authorised share capital of Sentoria Alam is RM500,000 comprising 500,000 ordinary shares of RM1.00 each. The issued and fully paid-up share capital of Sentoria Alam as at LPD is RM250,000 comprising 250,000 ordinary shares of RM1.00 each.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

The changes in the issued and fully paid-up share capital of Sentoria Alam since its incorporation are as follows:-

Date of Allotment	No. of Shares allotted	Par Value	Consideration	Cumulative Issued and Paid-up Share Capital
		(RM)		(RM)
22.08.2003	2	1.00	Cash	2
27.08.2003	99,998	1.00	Cash	100,000
16.11.2006	150,000	1.00	Cash	250,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital of Sentoria Alam.

**(e) Subsidiary and Associated Company**

As at LPD, Sentoria Alam does not have any subsidiary or associated company.

**4.13.4 Sentoria Bina****(a) Background and History**

Sentoria Bina was incorporated in Malaysia under the Act on 26 February 1999 as a private limited company and commenced its operations in 1999.

**(b) Principal Activities and Products / Services**

Sentoria Bina is principally engaged in provision of general contractor services.

**(c) Substantial Shareholders**

Sentoria Bina is a wholly-owned subsidiary of our Company.

**(d) Share Capital**

The authorised share capital of Sentoria Bina is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. The issued and fully paid-up share capital of Sentoria Bina as at LPD is RM750,000 comprising 750,000 ordinary shares of RM1.00 each.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

The changes in the issued and fully paid-up share capital of Sentoria Bina since its incorporation are as follows:-

Date of Allotment	No. of Shares allotted	Par Value (RM)	Consideration	Cumulative Issued and Paid-up Share Capital (RM)
26.02.1999	3	1.00	Cash	3
07.04.1999	199,997	1.00	Cash	200,000
20.05.1999	10,000	1.00	Cash	210,000
16.06.2000	540,000	1.00	Cash	750,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital of Sentoria Bina.

**(e) Subsidiary and Associated Company**

As at LPD, Sentoria Bina does not have any subsidiary or associated company.

**4.13.5 Sentoria Alfa****(a) Background and History**

Sentoria Alfa was incorporated in Malaysia under the Act on 31 October 2003 as a private limited company and commenced its operations in 2003.

**(b) Principal Activities and Products / Services**

Sentoria Alfa is principally engaged in property development and project management services.

**(c) Substantial Shareholders**

Sentoria Alfa is a 70% owned subsidiary of our Company. Interaktif Jasa Sdn Bhd, Rubiah Binti Musa and Interaktif Cerah Sdn Bhd are other substantial shareholders who hold 12%, 10% and 8% respectively.

The substantial shareholders of Interaktif Jasa Sdn Bhd are as follows:-

Name	Shareholding (%)
Abdul Mutti bin Shafain	15.0
Nasiruddin bin Nasrun	40.0
Amir @ Amirudin bin Mohd Lazim	45.0

The substantial shareholders of Interaktif Cerah Sdn Bhd are as follows:-

Name	Shareholding (%)
Abdul Mutti bin Shafain	30.0
Nasiruddin bin Nasrun	40.0
Amir @ Amirudin bin Mohd Lazim	30.0

#### 4. INFORMATION ON OUR GROUP (Cont'd)

There are no family relationships / association between the substantial shareholders of Interaktif Jasa Sdn Bhd and Interaktif Cerah Sdn Bhd with our Promoters, substantial shareholders, Directors and key management.

##### (d) Share Capital

The authorised share capital of Sentoria Alfa is RM500,000 comprising 500,000 ordinary shares of RM1.00 each. The issued and fully paid-up share capital of Sentoria Alfa as at LPD is RM250,000 comprising 250,000 ordinary shares of RM1.00 each.

The changes in the issued and fully paid-up share capital of Sentoria Alfa since its incorporation are as follows:-

Date of Allotment	No. of Shares allotted	Par Value (RM)	Consideration	Cumulative Issued and Paid-up Share Capital (RM)
31.10.2003	2	1.00	Cash	2
23.12.2003	249,998	1.00	Cash	250,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital of Sentoria Alfa.

##### (e) Subsidiary and Associated Company

As at LPD, Sentoria Alfa does not have any subsidiary or associated company.

#### 4.13.6 Sentoria Resorts

##### (a) Background and History

Sentoria Resorts was incorporated in Malaysia under the Act on 1 March 2005 as a private limited company and commenced its operations in 2005.

##### (b) Principal Activities and Products / Services

Sentoria Resorts is principally engaged in property development.

##### (c) Substantial Shareholders

Sentoria Resorts is a wholly-owned subsidiary of our Company.

##### (d) Share Capital

The authorised share capital of Sentoria Resorts is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each. The issued and fully paid-up share capital of Sentoria Resorts as at LPD is RM500,000 comprising 500,000 ordinary shares of RM1.00 each.

The changes in the issued and fully paid-up share capital of Sentoria Resorts since its incorporation are as follows:-

**4. INFORMATION ON OUR GROUP (Cont'd)**

Date of Allotment	No. of Shares allotted	Par Value	Consideration	Cumulative Issued and Paid-up Share Capital
		(RM)		(RM)
01.03.2005	2	1.00	Cash	2
23.03.2005	99,998	1.00	Cash	100,000
28.06.2005	150,000	1.00	Cash	250,000
28.12.2005	250,000	1.00	Cash	500,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital of Sentoria Resorts.

**(e) Subsidiary and Associated Company**

As at LPD, Sentoria Resorts does not have any subsidiary or associated company.

**4.13.7 Sentoria Themeparks****(a) Background and History**

Sentoria Themeparks was incorporated in Malaysia under the Act on 19 September 2006 as a private limited company under the name of Bukit Gambang Resorts Sdn Bhd and commenced its operation in 2006. On 27 April 2007, Sentoria Themeparks had changed to its present name.

**(b) Principal Activities and Products / Services**

Sentoria Themeparks is principally engaged as hotel and water park operator.

**(c) Substantial Shareholders**

Sentoria Themeparks is a wholly-owned subsidiary of our Company.

**(d) Share Capital**

The authorised share capital of Sentoria Themeparks is RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each. The issued and fully paid-up share capital of Sentoria Themeparks as at LPD is RM6,900,000 comprising 6,900,000 ordinary shares of RM1.00 each.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

The changes in the issued and fully paid-up share capital of Sentoria Themeparks since its incorporation are as follows:-

Date of Allotment	No. of Shares allotted	Par Value	Consideration	Cumulative Issued and Paid-up Share Capital
		(RM)		(RM)
19.09.2006	2	1.00	Cash	2
24.09.2007	99,998	1.00	Cash	100,000
15.07.2008	900,000	1.00	Cash	1,000,000
04.10.2011	5,900,000	1.00	Cash	6,900,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital of Sentoria Themeparks.

**(e) Subsidiary and Associated Company**

As at LPD, Sentoria Themeparks' subsidiaries are Sentoria Morib, Sempurna Resort Kuantan and Blue Sky Leisure. Sentoria Themeparks does not have any associated company.

**4.13.8 Sentoria Vacation Club****(a) Background and History**

Sentoria Vacation Club was incorporated in Malaysia under the Act on 24 March 2009 as a public limited company and commenced its operations in August 2011.

**(b) Principal Activities and Products / Services**

Sentoria Vacation Club is principally engaged in vacation club operations.

**(c) Substantial Shareholders**

Sentoria Vacation Club is a wholly-owned subsidiary of our Company.

**(d) Share Capital**

The authorised share capital of Sentoria Vacation Club is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. The issued and fully paid-up share capital of Sentoria Vacation Club as at LPD is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

The changes in the issued and fully paid-up share capital of Sentoria Vacation Club since its incorporation are as follows:-

Date of Allotment	No. of Shares allotted	Par Value	Consideration	Cumulative Issued and Paid-up Share Capital
		(RM)		(RM)
24.03.2009	2	1.00	Cash	2
15.05.2009	999,998	1.00	Cash	1,000,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital of Sentoria Vacation Club.

**(e) Subsidiary and Associated Company**

As at LPD, Sentoria Vacation Club does not have any subsidiary or associated company.

**4.13.9 Sentoria Morib****(a) Background and History**

Sentoria Morib was incorporated in Malaysia under the Act on 1 August 2011 as a private limited company and has not commenced its operations.

**(b) Principal Activities and Products / Services**

Sentoria Morib is principally engaged in hotel and water park operations.

**(c) Substantial Shareholders**

Sentoria Morib is a wholly-owned subsidiary of Sentoria Themeparks, which in turn is wholly owned by our Company.

**(d) Share Capital**

The authorised share capital of Sentoria Morib is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and fully paid-up share capital of Sentoria Morib as at LPD is RM2 comprising two (2) ordinary shares of RM1.00 each.

The changes in the issued and fully paid-up share capital of Sentoria Morib since its incorporation are as follows:-

Date of Allotment	No. of Shares allotted	Par Value	Consideration	Cumulative Issued and Paid-up Share Capital
		(RM)		(RM)
01.08.2011	2	1.00	Cash	2.00

#### 4. INFORMATION ON OUR GROUP (Cont'd)

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital of Sentoria Morib.

**(e) Subsidiary and Associated Company**

As at LPD, Sentoria Morib does not have any subsidiary or associated company.

##### 4.13.10 Sempurna Resort Kuantan

**(a) Background and History**

Sempurna Resort Kuantan was incorporated in Malaysia under the Act on 4 August 2011 as a private limited company and commenced its operations in October 2011.

**(b) Principal Activities and Products / Services**

Sempurna Resort Kuantan is principally engaged in hotel operations.

**(c) Substantial Shareholders**

Sempurna Resort Kuantan is a wholly-owned subsidiary of Sentoria Themeparks, which in turn is wholly owned by our Company.

**(d) Share Capital**

The authorised share capital of Sempurna Resort Kuantan is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and fully paid-up share capital of Sempurna Resort Kuantan as at LPD is RM2 comprising two (2) ordinary shares of RM1.00 each.

The changes in the issued and fully paid-up share capital of Sempurna Resort Kuantan since its incorporation are as follows:-

Date of Allotment	No. of Shares allotted	Par Value	Consideration	Cumulative Issued and Paid-up Share Capital
		(RM)		(RM)
04.08.2011	2	1.00	Cash	2.00

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital of Sempurna Resort Kuantan.

**(e) Subsidiary and Associated Company**

As at LPD, Sempurna Resort Kuantan does not have any subsidiary or associated company.

##### 4.13.11 Blue Sky Leisure

**(a) Background and History**

Blue Sky Leisure was incorporated in Malaysia under the Act on 27 July 2011 as a private limited company and has not commenced its operations.

**4. INFORMATION ON OUR GROUP (Cont'd)****(b) Principal Activities and Products / Services**

Blue Sky Leisure is principally a travel agent.

**(c) Substantial Shareholders**

Blue Sky Leisure is a wholly-owned subsidiary of Sentoria Themeparks, which in turn is wholly owned by our Company.

**(d) Share Capital**

The authorised share capital of Blue Sky Leisure is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and fully paid-up share capital of Blue Sky Leisure as at LPD is RM50,000 comprising 50,000 ordinary shares of RM1.00 each.

The changes in the issued and fully paid-up share capital of Blue Sky Leisure since its incorporation are as follows:-

Date of Allotment	No. of Shares allotted	Par Value	Consideration	Cumulative Issued and Paid-up Share Capital
		(RM)		(RM)
27.07.2011	2	1.00	Cash	2.00
11.08.2011	49,998	1.00	Cash	50,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital of Blue Sky Leisure.

**(e) Subsidiary and Associated Company**

As at LPD, Blue Sky Leisure does not have any subsidiary or associated company.

**4.14 MAJOR CUSTOMERS AND PRINCIPAL MARKETS**

We principally market our products and services in Malaysia. None of our Group's customers accounted for 10% or more of our Group's total revenue for the past three (3) FYEs 2008, 2009 and 2010 as well as FPE 2011, and our Group is not dependent on any single customer for business.

**4.14.1 Property Development**

Our Group's customer base can be divided into individuals and companies, which can be further segmented into the following:-

- (i) Owner-occupier (residential and office)/ owner-operator (retail); and
- (ii) Investor.

**4.14.2 Leisure and Hospitality**

Our Group's customer base can be largely divided into individuals, corporations, associations as well as government institutions.



#### 4. INFORMATION ON OUR GROUP (Cont'd)

##### 4.15 MAJOR SUPPLIERS / SUB-CONTRACTORS

The table below lists our Group's suppliers, which accounted for 10% or more of our Group's total purchases of material for the past three (3) FYEs 2008, 2009 and 2010 as well as FPE 2011.

Suppliers	Length of Relationship (Years)	FYE 2008		FYE 2009		FYE 2010		FPE 2011	
		Purchases (RM'000)	Proportion of Group Purchases (%)	Purchases (RM'000)	Proportion of Group Purchases (%)	Purchases (RM'000)	Proportion of Group Purchases (%)	Purchases (RM'000)	Proportion of Group Purchases (%)
Siap Kon Concrete Sdn Bhd ("Siap Kon")	5	4,407	18.0	7,819	25.0	4,136	20.7	4,249	12.7
CMCM Perniagaan Sdn Bhd ("CMCM")	12	4,390	18.0	6,595	21.1	1,682	8.4	4,624	13.8
Syn Tai Hung Trading Sdn Bhd ("Syn Tai Hung")	12	3,359	13.7	1,162	3.7	933	4.5	2,006	6.0
Pamix Sdn Bhd ("Pamix")	10	268	1.1	546	2.0	122	0.6	4,264	12.7

As shown above, Siap Kon, CMCM, Syn Tai Hung and Pamix collectively represented 50.8%, 51.8%, 34.2% and 45.2% of our Group's total purchases for FYE 2008, 2009, 2010 and FPE 2011 respectively. As such, to a certain extent, we are dependent on these main suppliers.

Siap Kon and Pamix are among our Group's main suppliers of ready-mixed concrete. CMCM and Syn Tai Hung, on the other hand, supplied other raw materials such as cement-sand bricks, steel bars, roofing tiles, tiles and mosaic, timber and plywood, amongst others.

As part of our Group's philosophy of cultivating long-term relationship, the majority of our suppliers have been trading with us for more than five (5) years. Notwithstanding the above, we will always seek to extend our business network and connection with other reliable suppliers in order not to be over dependent on any single supplier. Our management will take into consideration various factors such as pricing, track record, financial strength, quality, efficiency and reliability before deciding on a particular supplier.

#### 4. INFORMATION ON OUR GROUP (Cont'd)

The table below lists our Group's main sub-contractors, which accounted for 10% or more of our Group's total sub-contracted works for the past three (3) FYEs 2008, 2009 and 2010 as well as FPE 2011.

Sub-contractors	Length of Relationship (Years)	FYE 2008		FYE 2009		FYE 2010		FPE 2011	
		Purchases (RM'000)	Proportion of Group Purchases (%)	Purchases (RM'000)	Proportion of Group Purchases (%)	Purchases (RM'000)	Proportion of Group Purchases (%)	Purchases (RM'000)	Proportion of Group Purchases (%)
Pembinaan Infrastruktur OKH Sdn Bhd ("OKH") <sup>(1)</sup>	3	3,696	16.8	1,579	5.5	904	3.0	392	1.4
Lee Kok Teong Trading ("LKT") <sup>(1)</sup>	10	1,846	8.4	1,167	4.1	2,734	8.9	2,228	7.8

**Note:-**

(1) The purchases from these sub-contractors are based on the actual contractor claims received during the respective financial years / period under review.

As shown above, LKT and OKH collectively accounted for 25.2%, 9.6%, 11.9% and 9.2% of our Group's total sub-contracted works for FYE 2008, 2009, 2010 and FPE 2011 respectively.

OKH was engaged mainly for earthworks as well as reinforced-concrete works mostly for the development of Caribbean Bay and Desa Hijauan. The fall in the volume of works from OKH in FYE 2009 and 2010 was mainly due to fewer jobs being awarded to OKH as we diversify our sub-contractor base. OKH was engaged for the earthworks of Arabian Bay project, while the reinforced-concrete works were sub-contracted to other contractors.

LKT was primarily engaged for road works for the development of Taman Indera Sempurna 1, Taman Indera Sempurna 2 and Bukit Gambang Resort.

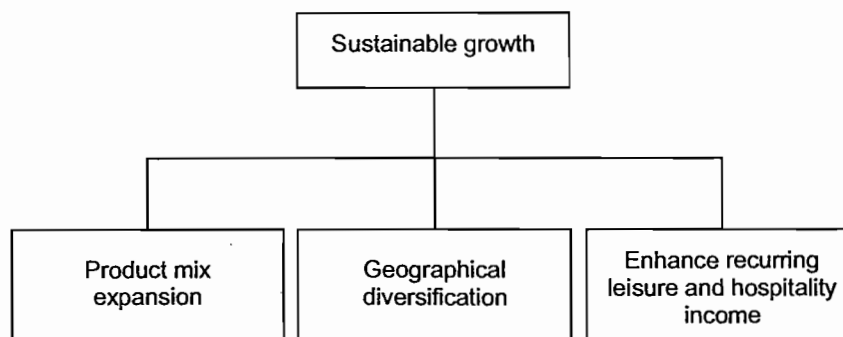
Besides road works, earthworks and concrete works, we also engaged external sub-contractors for electrical, tiling, painting, ceiling and plastering works, plumbing, sanitation and sewerage works, amongst others.

We usually engage these sub-contractors from time to time as it is more cost effective to utilise their specialised skills rather than undertaking their respective areas of expertise in-house. However, our Group is not exposed to the risk of over reliance on any single sub-contractor as our Group can easily engage other sub-contractors, if required.

#### 4. INFORMATION ON OUR GROUP (Cont'd)

##### 4.16 FUTURE PLANS AND STRATEGIES

To create sustainable growth for our business, we will adopt a three (3)-pronged strategy:-



##### 4.16.1 Product mix expansion

Capitalising on our success in developing and marketing affordable housing, we have progressed to develop and market other types of properties such as resort-style accommodation. Notwithstanding that, affordable housing will remain as an important part of our property development business as we believe affordable housing is less susceptible to fluctuations in market conditions and the prevalence of property overhang conditions. As such, we will continue to strengthen our capabilities in this area whilst enhancing our strengths in developing other types of properties.

We strive to expand our product mix to also include themed villas such as those in Global Heritage South as well as commercial properties such as East Coast Bazaar, amongst others. Please refer to Sections 4.2.3(ii) and 4.2.3(iii) of this Prospectus for further information on our upcoming and future property developments.

##### 4.16.2 Geographical diversification

Our success in the Kuantan, Pahang area can be seen in the overwhelming response for our residential and commercial properties in this area, such as Taman Indera Sempurna 1, Taman Indera Sempurna 2 and Desa Hijauan.

Further, Bukit Gambang Water Park is currently the third ranked theme park by number of guests in Malaysia (*Source: IMRR*). For FYE 2010, Bukit Gambang Water Park recorded a total guest count of approximately 521,000, a significant milestone since its opening.

Moving forward, we endeavour to replicate our success in Kuantan and Gambang to other geographical areas in Malaysia. We have already launched Fasa Bunga Raya in Pajam in April 2011. We will embark on further geographical diversification through Morib Beach Resort in Morib and developments in other locations in Malaysia.

Most of the developments in Morib Beach Resort are similar to Bukit Gambang Resort, which will comprise a theme park component, resort-style accommodation and MICE venues, amongst others. Please refer to Sections 4.2.3(ii) and 4.2.3(iii) of this Prospectus for further information.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

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**4.16.3 Enhance recurring leisure and hospitality income**

As disclosed above, our current success in the leisure and hospitality business is evidenced by the number of guests that we have welcomed since we opened our doors. Our MICE division has also played host to numerous events and functions.

To propel Bukit Gambang Resort's further expansion, we have planned to undertake its new developments in phases to sustain interest and gain critical mass, so as to further the momentum and growth in the number of guests as well as our recurring income from our leisure and hospitality core business division. We have already commenced the construction of Bukit Gambang Safari Park in June 2011. In addition, our future plan will include the construction of Adventure Land and Aquarium Park, amongst others. Please refer to Section 4.2.4(iii) of this Prospectus for further information on the upcoming and future developments for Bukit Gambang Resort's leisure and hospitality core business division.

In addition, the expansion of Bukit Gambang Resort in terms of its leisure and hospitality offerings is expected to increase the value and attractiveness of the properties within close proximity to our integrated resort city. Upcoming projects like Global Heritage South and Mediterranean Bay Resort are expected to benefit from the enhancement of Bukit Gambang Resort's attractiveness, which in turn leads to higher property development revenue.

**4.17 PROSPECTS OF OUR GROUP**

The prospects of our Group are favourable in light of the following factors:-

**4.17.1 Good business performance**

Our good business performance is supported by the following achievements for FYE 2010:-

- (a) Revenue grew by 34.8% over FYE 2009;
- (b) PAT grew by 43.9% over FYE 2009

Between FYE 2008 and 2010, our revenue grew by an average annual rate of 22.6%. Our GP margin for FYE 2008, 2009, 2010 and FPE 2011 is 27.7%, 27.8%, 31.4% and 35.6% respectively, exhibiting an increasing trend.

The continuing growth of our financial performance over the last three (3) financial years is expected to provide us with the platform for continuing business success and growth.

**4.17.2 Favourable industry outlook**

The outlook of the property development industry in the Central Region and Pahang remains positive. The outlook of the theme park industry in Malaysia is also expected to remain favourable. Please refer to Section 5 of this Prospectus for further information on the industry outlook and prospects of the property development industry and theme park industry.

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**4. INFORMATION ON OUR GROUP (Cont'd)**

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**4.17.3 Competitive advantages and key strengths**

Our competitive advantages and key strengths will provide a platform for our continuing growth and success. Please refer to Section 4.3 of this Prospectus for further details of our competitive advantages and key strengths.

**4.17.4 Future plans to provide sustainable growth**

We have in place a sound business expansion plan to provide sustainable growth for our business, which includes product mix expansion, geographical diversification and enhance recurring leisure and hospitality income. Please refer to Sections 4.2.3(ii), 4.2.3(iii), 4.2.4(iii) and 4.16 of this Prospectus for further information on our future plans as well as our upcoming and future property developments.

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## 5. INDUSTRY OVERVIEW



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*Delivering Research Intelligence To Business*

06 JAN 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,

### Executive Summary of the Property Development and Theme Park Industry in Malaysia, 2012

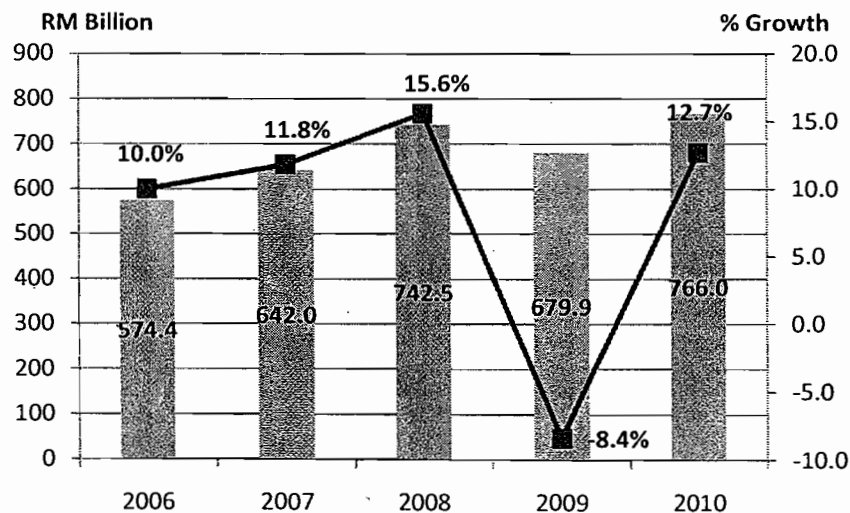
This Executive Summary of the Property Development and Theme Park Industry in Malaysia, 2012 is prepared by Converging Knowledge Pte Ltd ("**Converging Knowledge**") for inclusion in the Prospectus of Sentoria Group Berhad ("**Sentoria**" or the "**Company**") in relation to the listing and quotation of the entire issued and paid-up share capital of Sentoria on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

The information in this Executive Summary was derived from our report "The Property Development and Theme Park Industry in Malaysia, 2012" ("**IMRR**").

#### 1 OVERVIEW OF MALAYSIA'S ECONOMY

Malaysia is one of the more affluent economies in Southeast Asia. The economy has been recording double-digit nominal growth from 2006 to 2010, with the exception of 2009 which was a result of the global financial crisis. The Malaysian economy is also the third largest in South East Asia, after Indonesia and Thailand.

#### Nominal GDP of Malaysia from 2006 to 2010 (At Current Prices)



(Source: IMRR)

Singapore

Malaysia

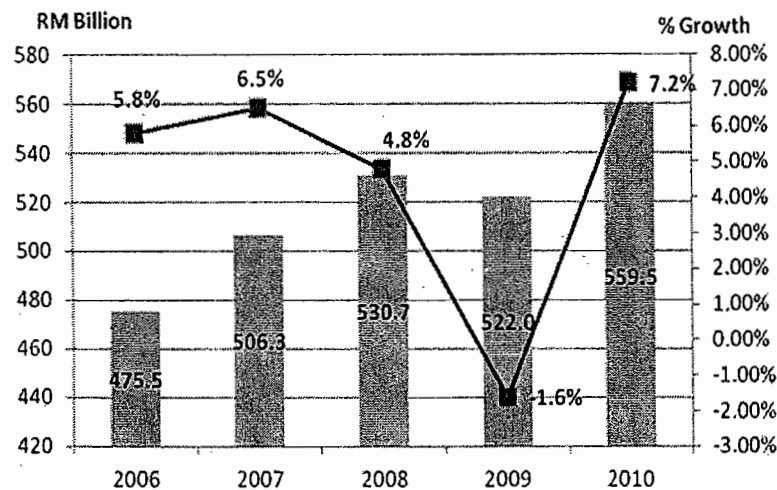
Hong Kong

## 5. INDUSTRY OVERVIEW (Cont'd)

Malaysia posted double-digit nominal gross domestic product ("GDP") from 2006 to 2008. The highest was recorded in 2008 at 15.6%. 2009 saw negative GDP growth in the face of the 2008 global economic crisis. Despite that, Malaysia was among the top ten (10) GDP performers in the Asia Pacific Region by GDP size in 2010. Statistics further indicate that the Malaysian economy has rebounded strongly in 2010, and positive growth was registered for the first two (2) quarters of 2011. For Q1 and Q2 2011, Malaysia recorded GDP of approximately RM203.4 billion and RM209.4 billion respectively, which was 11.3% and 12.4% higher than the corresponding quarters in 2010. The Malaysian economy is forecast to see continued growth of between 5.0% and 6.0% in 2012.

In terms of real GDP, Malaysia saw single-digit growths of above 5.0% in 2006 and 2007. Real GDP grew by only 4.8% in 2008 due to inflationary pressures. 2009 saw real GDP growth dip to negative levels due to the 2008 global economic crisis. Despite that, Malaysia experienced a compounded annual growth rate ("CAGR") of 4.2% in its real GDP from 2006 to 2010.

### Real GDP of Malaysia from 2006 to 2010 (At 2000 Constant Prices)



(Source: IMRR)

In 2010, the Malaysian economy expanded strongly by 7.2%, exceeding the official forecast of 7.0% in Malaysia's 2011 Budget. Growths were broad-based, led strongly by expansion in the manufacturing, services and construction sectors. Overall, higher spending from the private and public sectors had contributed to the expansion in domestic demand.

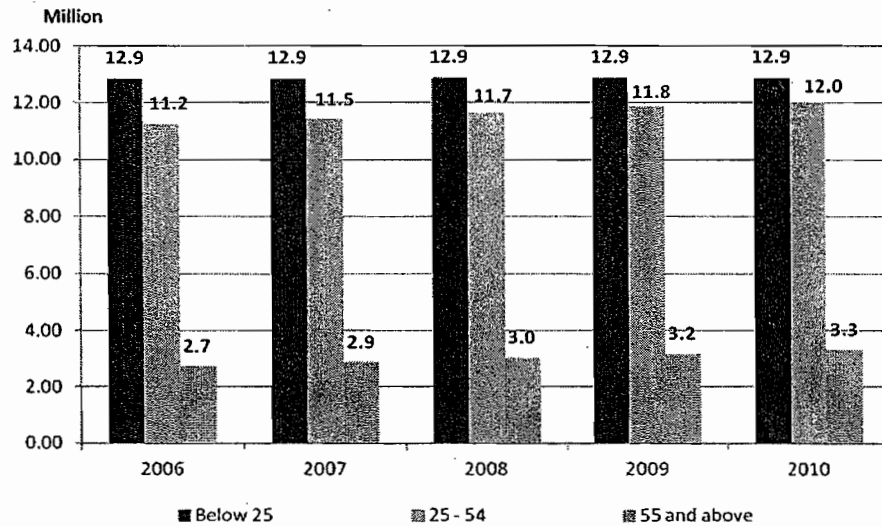
In Q3 2011, Malaysia's economy grew by 5.8%, following moderated growth in the previous quarter. The services and manufacturing sectors were the two key growth drivers. In addition, domestic consumption continued to be resilient and investments in the country remained strong, thus contributing further growth to the country's economy..

Malaysia's 2012 Budget has forecast the service sector and construction sector will expand by 6.5% and 7.0% respectively in 2012. These will be encouraged by the 2012 Budget's allocated funds of RM232.8 billion for Government plans, which is inclusive of management and development plans. The 2012 Budget further indicated that RM29.8 billion has been allocated towards investments in infrastructure, industrial and rural development in 2012.

## 5. INDUSTRY OVERVIEW (Cont'd)

Malaysia is home to a multi-cultural population of approximately 28.6 million citizens as at Q3 2011, comprising mostly Malays, Chinese and Indians. The country has a large population of youth below 25 years of age. This has accounted for at least 46.0% of the country's population from 2006 to 2009, and the proportion has declined to 45.6% in 2010 and 45.1% by the third quarter of 2011. Despite the decrease, Malaysia's youth population remains large. A large youth population represents a significant economic resource as the young working population can drive economic growth and development. It also presents opportunities for industries, such as theme parks, that bank on the younger age groups for income growth.

### Malaysia's Population by Age Group



(Source: IMRR)

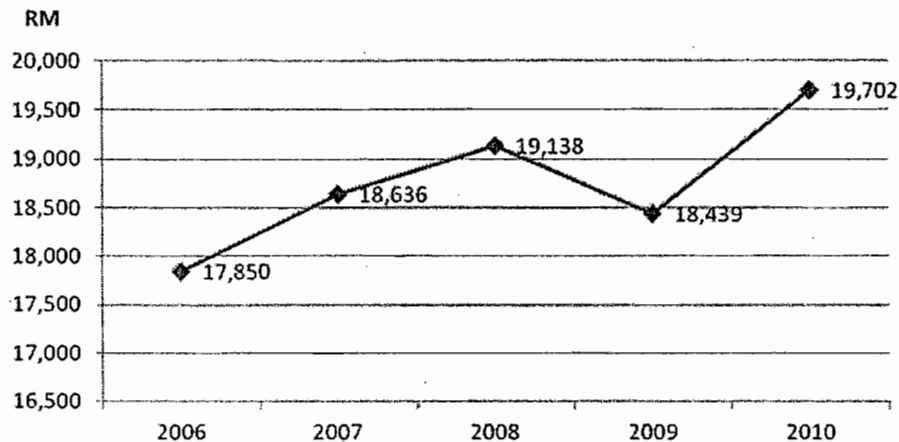
Malaysians, as a whole, are also enjoying higher purchasing powers. From 2006 to 2010, real GDP per capita increased by a CAGR of 2.5%. Rising real GDP per capita indicates higher propensities, including increasing abilities of Malaysians to purchase and invest in properties. As at November 2011, real GDP per capita of Malaysia recorded approximately RM20,573, which denotes continued rise in the purchasing power of Malaysians.

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## 5. INDUSTRY OVERVIEW (Cont'd)

### Real GDP per Capita of Malaysia from 2006 to 2010 (At 2000 Constant Prices)



(Source: IMRR)

### **East Coast Economic Region ("ECER")**

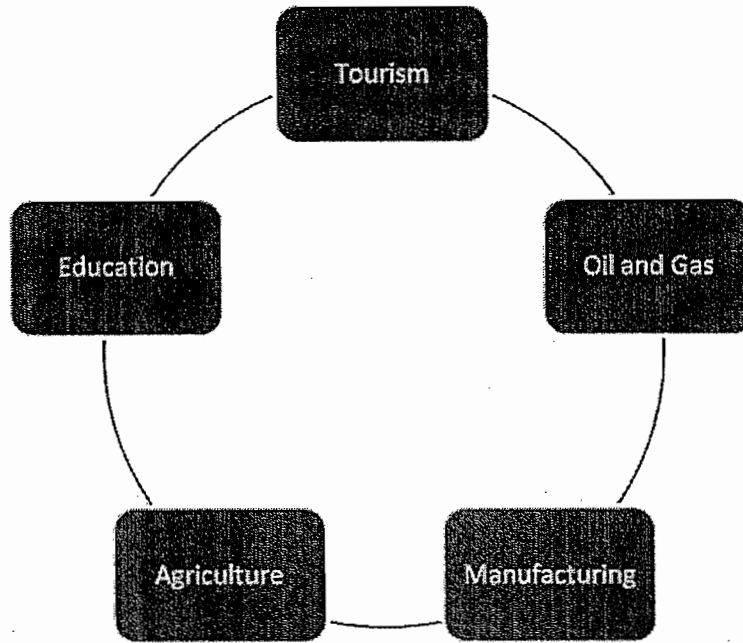
The ECER is an important contributor to the country's overall economic performance, contributing 8.8% to Malaysia's GDP in 2010. The ECER is a focused economic development in Malaysia, which began under the 9<sup>th</sup> Malaysia Plan and continued into the 10<sup>th</sup> Malaysia Plan ("10MP"). While less developed than the West Coast of Malaysia, the ECER presents much growth potential and is expected to play a bigger role in the next decade under the ECER Masterplan. This growth region covers more than half of Peninsular Malaysia in land area, and accounted for 15.2% of Malaysia's total population in 2010.

The ECER is also rich in resources. With natural beaches, unspoilt islands and eco-tourism activities, the ECER presents much tourism potential. The region is also rich in Malay culture, where traditional performing arts, such as Mak Yong, a dance-drama theatre form, Wayang Kulit and Gamelan, continue to be performed. In addition, the ECER also serves as a centre for handicrafts, where hand-woven Songket textiles, Batik, and the famous woven silk – Tenun Pahang – continue to be produced. Land-rich ECER also offers opportunities in agricultural-based activities, while manufacturing investments can be made in resource-based industries, including halal parks, palm oil clusters, and the Kertih Polymer Park, among others. It was reported that as at 10 September 2011, the ECER had attracted more than RM48.0 billion in domestic and overseas investments since its inception in 2007.

In line with Malaysia's goal of becoming a developed nation by 2020, the ECER Development Council ("ECERDC") was set up in 2008 to drive the implementation of projects and key programmes identified in the ECER Masterplan, the blueprint for guiding the development of the region over the next twelve (12) years. The strategy is to transform ECER into a dynamic region via the following five (5) clusters:-

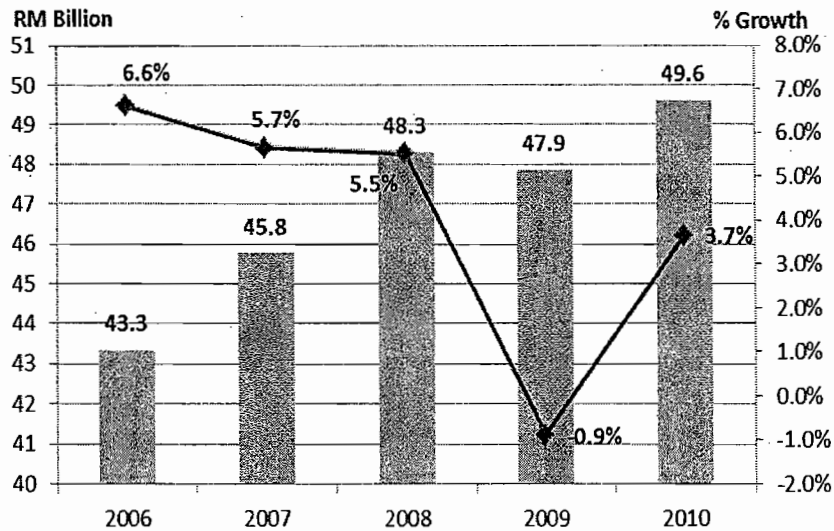
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5. INDUSTRY OVERVIEW (Cont'd)



(Source: IMRR)

**ECER's Real GDP at 2000 Constant Prices and Growth**



(Source: IMRR)

The GDP generated by the three states within the ECER has been on the rise in real terms since 2005, except for the decline in 2009 due to the global economic crisis. The CAGR for real GDP of the ECER for the period 2006 to 2010 was approximately 3.5%. As the government continues its efforts to promote this region, further economic expansion is expected.

## 5. INDUSTRY OVERVIEW (Cont'd)

### Central Region of Malaysia

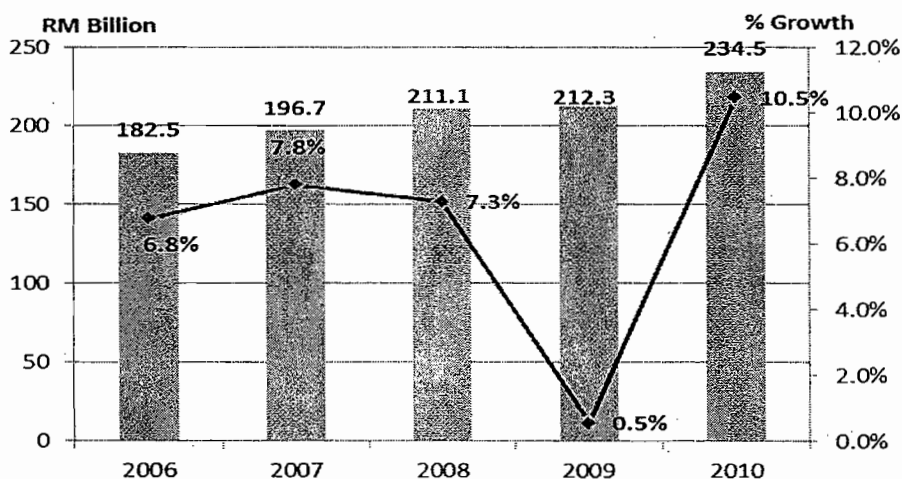
The Central Region of Malaysia, comprising Selangor, Negeri Sembilan, Federal Territory of Kuala Lumpur ("Kuala Lumpur") and Federal Territory of Putrajaya ("Putrajaya"), is among the most vibrant areas in the country. With an extensive, modern transportation network and high urbanisation rate, this business centre has been attracting large domestic and foreign investments into a number of industries. Of the total approved investment (including domestic and foreign) in manufacturing projects in Malaysia, this region has seen an increase in its proportion, from 16.4% in 2006 to 25.4% in 2010. In 2010, the Central Region recorded manufacturing projects worth approximately RM12.0 billion in investment. From January to August 2011, the Central Region accounted for 26.8% of the manufacturing projects into the country. From January to August 2011, the Central Region attracted over RM9.6 billion worth of capital investments.

In 2010, the Central Region contributed approximately 41.9% in total to Malaysia's GDP. Amongst all states and federal territories, Selangor was the largest contributor to the country's GDP in the same year (accounting for 23.0%), followed by Kuala Lumpur (15.2%).

Kuala Lumpur commanded the highest GDP per capita among the states in Malaysia, at RM55,951 for 2010 or approximately 2.1 times of the national average of RM27,113. Both Selangor and Negeri Sembilan also reported GDP per capita (RM31,363 and RM27,485) that were higher than the national average.

The Central Region has recorded growth in its real GDP, albeit at decreasing rates, in 2008 and 2009. However, in 2010, real GDP rose by 10.5% to RM234.5 billion, the highest recorded during the five-year period from 2006 to 2010 due to higher private and public spending. From 2006 to 2010, real GDP in the Central Region increased by a CAGR of 6.5%.

#### Central Region's Real GDP at 2000 Constant Prices and Growth



(Source: IMRR)

The Central Region is home to many of Malaysia's mega projects. Among which are Putrajaya – the country's new federal administrative capital, as well as Kuala Lumpur International Airport ("KLIA"), the Low Cost Carrier Terminal, Cyberjaya and the Sepang International Circuit, all of which are situated within Sepang, the southern part of Selangor.

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**5. INDUSTRY OVERVIEW (Cont'd)**

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The Central Region continues to teem with excitement as it sees more projects brought about by the Economic Transformation Programme (“ETP”). The Greater Kuala Lumpur/Klang Valley (“Greater KL/KV”) is one of the 12 National Key Economic Areas (“NKEAs”) identified under the ETP. The vision is to develop Greater KL/KV into a top-20 ranking city in terms of economic growth while being among the top-20 most liveable cities in the world by 2020. Initiatives proposed under Greater KL/KV include internal and external immigration programmes to grow the city’s population, deploying high-speed rail to connect Greater KL/KV and Singapore, improving its light rail transit system, rejuvenating rivers, cultivating a greener Kuala Lumpur, promoting iconic places, and enhancing pedestrian walkways within the city. The Performance and Management Delivery Unit expects Kuala Lumpur’s population to reach 10 million by 2020, thus creating a demand to house one (1) million new residents the same year.

**2 OVERVIEW OF THE PROPERTY DEVELOPMENT INDUSTRY IN MALAYSIA**

Malaysia’s property market registered good performance in 2010, with the local residential market registering strong demand and record prices, fuelled by low interest rates and a highly liquid banking sector. Property values have appreciated an average of between 30% and 40%, the highest growth ever recorded in the last 30 years. Residential landed property in strategic locations throughout the country recorded 20% to 30% capital appreciation when compared to 2009. The advent of big infrastructure projects under the ETP has further sustained the increase of landed properties, especially in Greater KL/KV and Penang.

Demand for residential properties is further supported by incentives for first-time home buyers. Under the My First Home Scheme (Skim Rumah Pertamaku), first-time home buyers are allowed to obtain a 100% loan if they have a family income of less than RM3,000.00 per month, with the 10% downpayment guaranteed by Cagamas Berhad for houses priced below RM220,000. First-time home buyers are also granted 50% exemption of stamp duty on instruments of transfer for residences priced not more than RM350,000, and loan agreements. Civil servants in Malaysia enjoy an increase in the maximum housing loan amount from RM360,000 to RM450,000 as of 1 January 2011.

Malaysia’s property market is expected to see a further boost under the Malaysia 2012 Budget. It was reported that real property gains tax would be reviewed, so as not to affect the ability of low and middle income groups to become home owners. First-time home owners are entitled to further home ownership assistance, as the My First Home Scheme will be expanded to increase the limit of house prices from a maximum of RM220,000 to RM400,000. In addition, civil servants will be given an additional bonus of half-month salary, and pensioners, RM500. This will boost civil servants’ access to funds to invest in properties. The budget will also see to the implementation of the Program Perumahan Rakyat, with the construction of 75,000 units of affordable houses.

Commercial properties also did well in 2010. New supplies of offices were moderate in the year, but increased demand has led to a shortage of ‘investible’ buildings, especially in Greater KL/KV and Penang. Within the first three quarters of 2011, the number of commercial property transactions reached 32,350, an 11.3% increase from the first three quarters of 2010. Demand for retail property has also strengthened slightly in 2011, supported by moderate new supply, and a growing workforce. Occupancy rate for shopping complexes increased from 80.2% in the first half of 2010 (“1H 2010”) to 81.1% in the first half of 2011 (“1H 2011”).

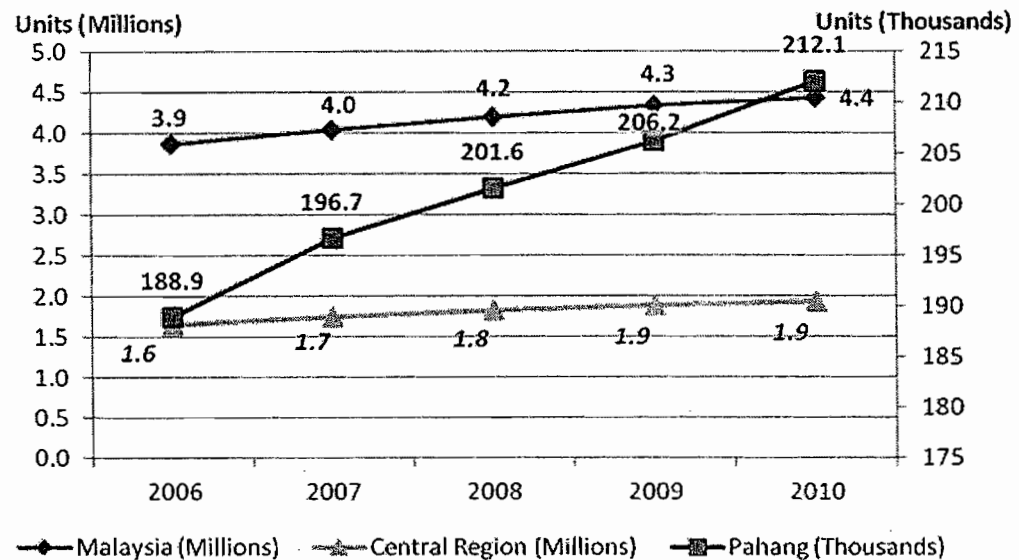
## 5. INDUSTRY OVERVIEW (Cont'd)

### 2.1 Property Development in Pahang and the Central Region of Malaysia

As at the end of 2010, a total of 4,433,310 existing residential property stocks were available throughout Malaysia. As at end of Q3 2011, existing residential property stocks rose to 4,484,596 units. The states of Pahang, Kelantan and Terengganu collectively contributed 7.2% (319,748) and 7.3% (325,872) of existing residential property stock to the national total as at the end of 2010 and Q3 2011 respectively.

Existing residential property stock in the Central Region, Pahang and the whole country is detailed in the figure below:-

#### Breakdown of Existing Residential Stock from 2006 to 2010



#### Notes:-

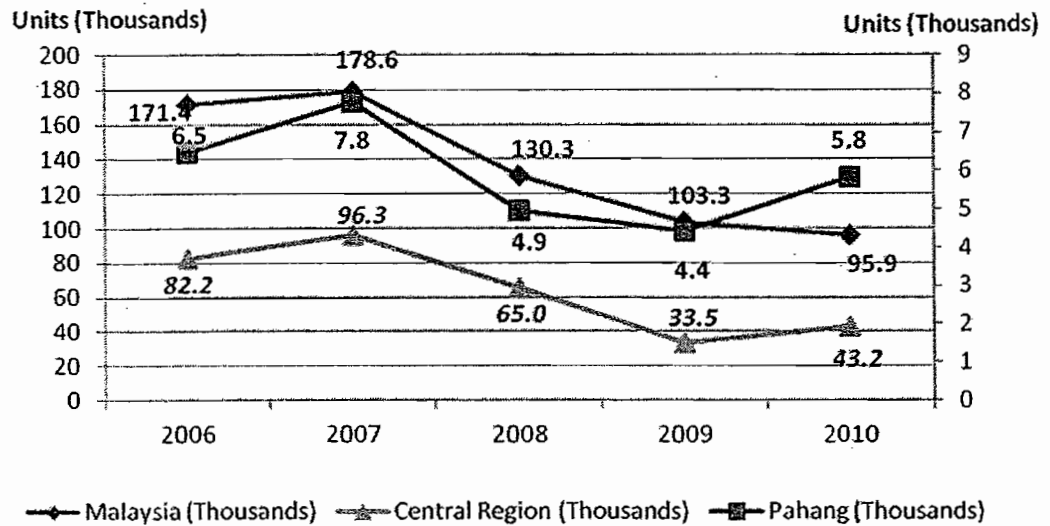
- Existing stock comprises units that have been issued with Certificate of Completion and Compliance ("CCC") prior to the review period, plus units completed and issued with CCC within the review period. The figures for existing stock are accumulated figures.
- In this figure, each year covers the period from 1 December of the previous year until 30 November of the year under review.

(Source: IMRR)

The existing stock of residential properties has been increasing within the past five (5) years throughout the whole country as well as in the Central Region and Pahang, indicating a growing supply. From 2006 to 2010, the residential stock of Malaysia has increased at a CAGR of 3.5%. The stock in the Central Region has grown at a much higher rate, 4.0%, while Pahang's existing stock has grown at a rate of 2.9% - below the country's average. This reflects the fast growth rate of residential stock in the Central Region, while suggesting much growth potential for residential property development in Pahang.

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## 5. INDUSTRY OVERVIEW (Cont'd)

Historical Figures of Property Completions

## Notes:-

- "Completions" is the term used by Jabatan Penilaian Dan Perkhidmatan Harta ("JPPH") when the building construction works are completed and CCC is issued within the review year. The figures for "Completions" are not accumulated from previous years, but only represent one (1) review year.
- In this figure, each year covers the period from 1 December of the previous year until 30 November of the year under review.

(Source: IMRR)

The annual number of property completions in Malaysia, Pahang and the Central Region has grown in a similar pattern – increasing from 2006 to 2007 and declining in 2008 and 2009, partly due to the global economic crisis. In 2010, the country's total completions within the year decreased slightly to register 95,938 units. However, higher figures of completions for 2010 were observed in both Pahang and the Central Region. On a year-on-year basis, the completions in Pahang grew by 31.4%, while that in the Central Region grew by 28.9% in 2010.

Sales Performances of New Residential Unit Launches in 2010

States	Sales Performance (%)
Pahang	58.7
Perak	56.6
Negeri Sembilan	49.8
Perlis	48.9
Pulau Pinang	47.9
Selangor	47.0
Kelantan	46.5
Sabah	45.4
Johor	42.5
Sarawak	42.3

**5. INDUSTRY OVERVIEW (Cont'd)**

States	Sales Performance (%)
Kuala Lumpur	38.4
Melaka	32.7
Kedah	30.6
Terengganu	30.0

Notes:-

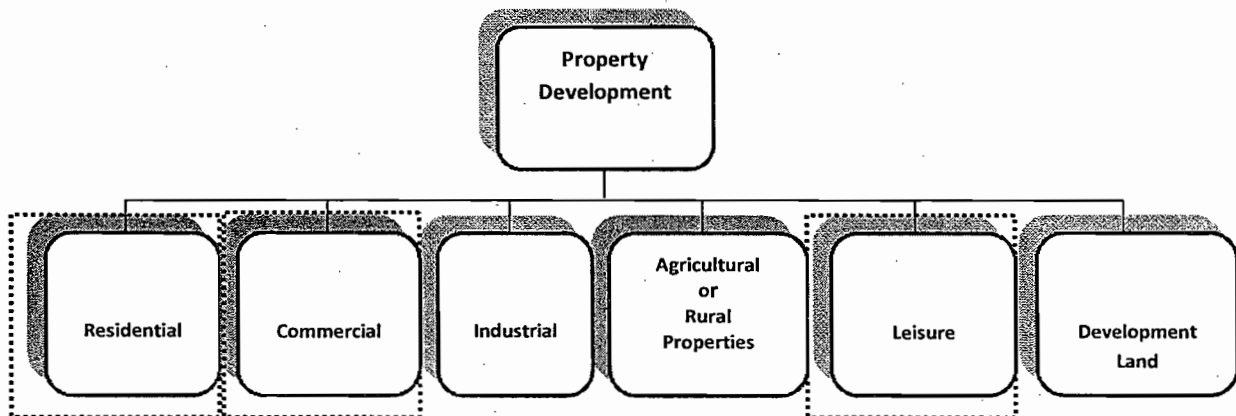
- Sales performance is derived by dividing the total number of units sold by the total number of units launched.
- There was no new housing unit registered for Putrajaya and Labuan for 2010.

(Source: IMRR)

For sales performance of new residential unit launches, Pahang, Perak and Negeri Sembilan were among the top three performers in 2010. Pahang recorded the highest sales performance at 58.7%, followed by Perak, which recorded a sales performance of 56.6%. This indicates that there is a high demand for residential properties in Pahang and Perak, and the fast take-up rate will mitigate property developers' risk of unsold properties. Negeri Sembilan and Perlis took the third and fourth positions, with sales performance of 49.8% and 48.9% respectively.

**2.2 Various Segments in the Property Development Industry**

The property development industry can be categorised into the following segments:-



Note:-

- Property segments which Sentoria operates in are framed with

(Source: IMRR)

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**5. INDUSTRY OVERVIEW (Cont'd)**

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Sentoria is involved in the development of residential, commercial and leisure-related properties. Its property development activities are currently centred in Pahang, with plans to extend to the Central Region.

Residential properties refer to the following types of properties:-

- Terraced House
- Semi-detached
- Detached
- Flat/ Apartment/ Condominium
- Land for residential development
- A subdivided lot for one house

Each type of residential property is subdivided according to their number of storeys and cost.

Commercial properties refer to the following types of properties:-

- Office
- Shop and Shopping Complex

Industrial properties refer to the following types of properties:-

- Factory
- Warehouse
- Industrial Complex
- Flatted Factory
- Industrial Site

Agricultural or rural properties refer to the following types of properties:-

- Smallholdings
- Orchard/ Horticulture
- Estate Land
- Forestry
- Kampung Land

Leisure properties refer to the following types of properties:-

- Hotel
- Motel
- Resort
- Recreational park
- Golf course
- Marina
- Service apartments

Development land refers to land that the government has gazetted and planned for the development of the following types of properties:-

- Residential
- Commercial
- Industrial
- Mixed

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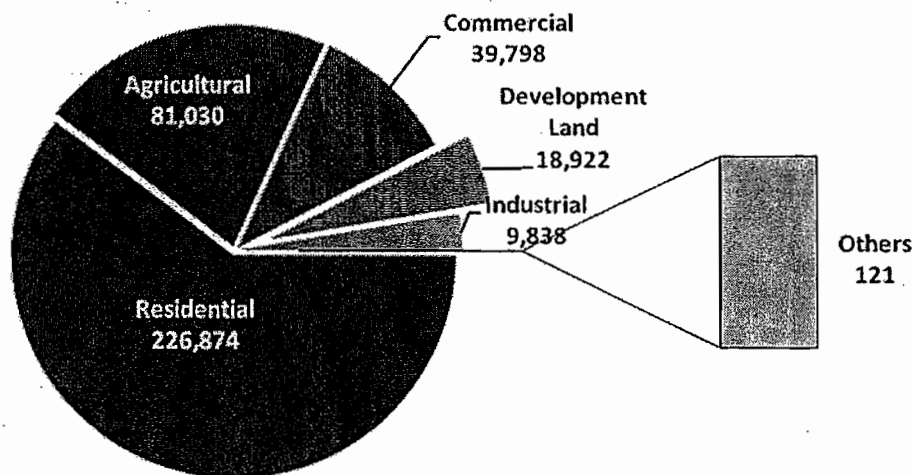
## 5. INDUSTRY OVERVIEW (Cont'd)

### 2.3 Dynamics of the Property Development Industry

Residential property transactions dominate the property market in Malaysia. In 2010, residential property transactions made up more than 60.0% of the total property transaction volume and 47.0% of the total property transaction value. The most popular type of residential property in Malaysia is the terraced house. 60.3% of the total properties sold between Q1 and Q3 2010 were terraced houses. Between Q2 and Q4 2010, the proportion of terraced house sold was recorded at 54.1%. Properties tend to be more expensive in urban areas and developed states, especially in the Central and Southern Regions. For example, data for Q4 2010 show that 1-1½ storey terraced houses in Selangor and Kuala Lumpur were sold at an average of RM189,208 and RM326,207 respectively, whereas in Pahang, the average selling price for the same type of house is RM144,122. As at Q3 2011, average selling prices for 1-1½ storey terraced houses in Selangor, Kuala Lumpur and Pahang were RM188,594, RM367,325 and RM146,304 respectively.

In 2010, the property market recorded an improved performance, in line with the GDP growth during that period. The volume of property transactions grew by 11.4% to record a total of 376,583 transactions, while transaction value grew by 33.6% to register a total worth of RM107.4 billion, compared to 2009. In the first three quarters of 2011, the volume of property transactions registered 322,414 transactions, which was 17.9% higher than that in the first three quarters of 2010, whereas in terms of transaction value, it recorded RM102.8 billion in the first three quarters of 2011 as compared to RM76.4 billion in the first three quarters of 2010.

**Property Transaction Volume According to Property Sub-Sectors in 2010 (Units)**

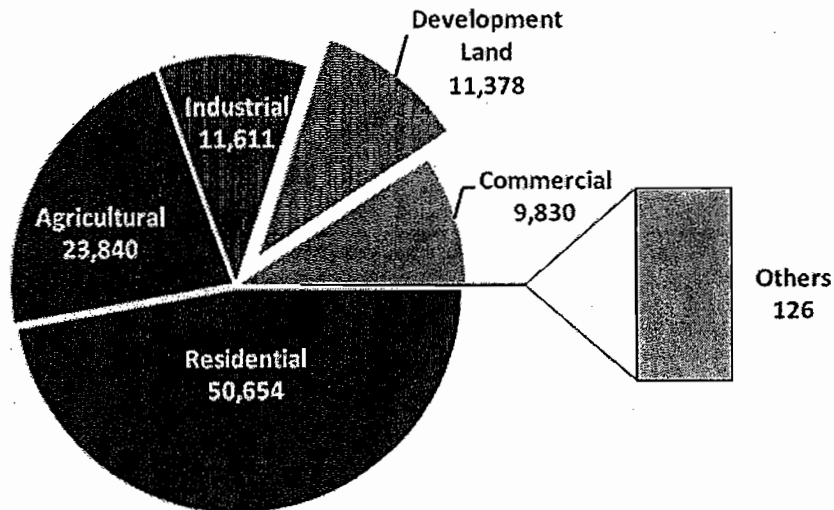


(Source: IMRR)

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## 5. INDUSTRY OVERVIEW (Cont'd)

Property Transaction Value According to Property Sub-Sectors in 2010 (RM Million)



(Source: IMRR)

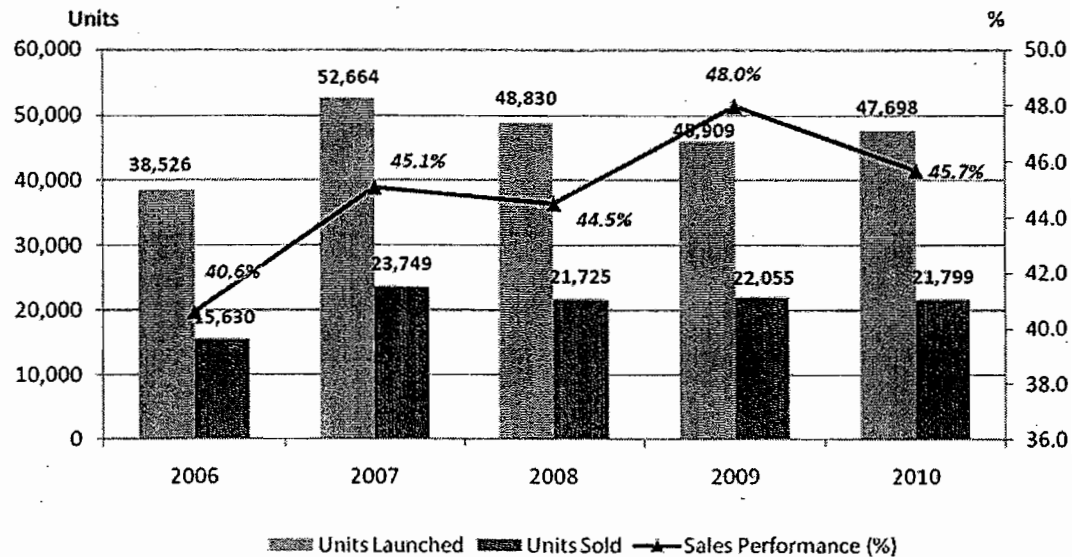
When compared to the year 2009, all property sub sectors registered growth in both transaction volume and value. In terms of transaction volume in 2010, year-on-year growth rates of 7.2% and 19.4% were recorded for residential and commercial properties, respectively. In terms of transaction value, the growth rates were 21.0% for residential and 45.5% for commercial.

The latest data in 2010 indicates that the number of new residential unit launches nationwide have increased by 3.9% when compared to 2009. For 2010, a total of 47,698 new housing units were offered in the market, compared to 45,909 units offered in 2009.

In the first three quarters of 2011, the number of new residential units launched in Malaysia was 32,307, which was approximately 12.0% higher than that recorded in the first three quarters of 2010. Despite higher unit launches, the overall sales performance in the first three quarters of 2011 was lower at 39.5% as compared to 42.8% posted in the corresponding quarters of 2010.

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## 5. INDUSTRY OVERVIEW (Cont'd)

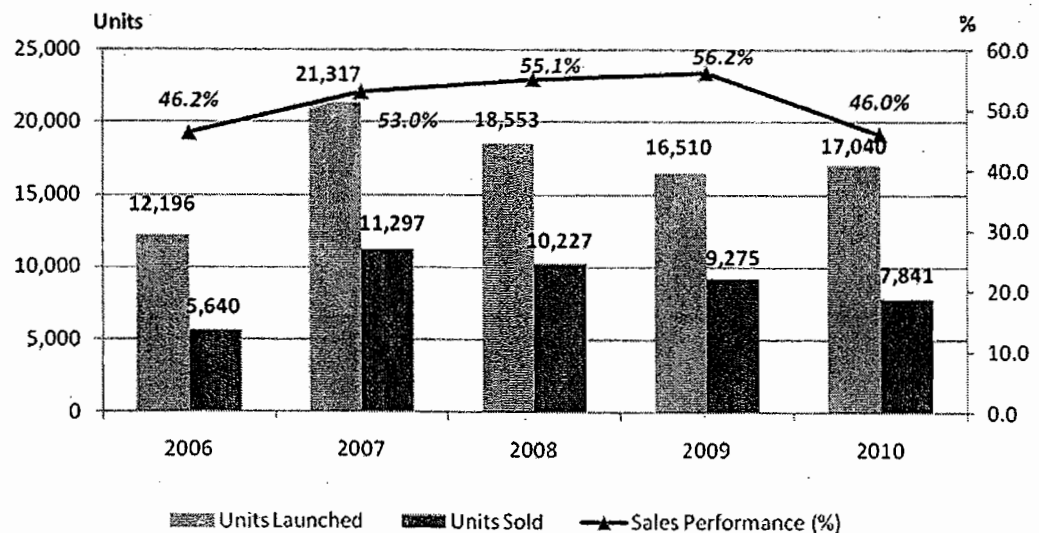
**Number and Sales Performance of New Residential Unit Launches in Malaysia**

Note:-

- Sales performance is derived by dividing the total number of units sold by the total number of units launched.

(Source: IMRR)

The Central Region's (excluding Putrajaya) sales performance has been consistently higher than the country's since 2006. New launches of residential properties in this region have accounted for approximately one-third of the country's total. It was recorded that there were 17,040 newly launched residential units and 7,841 units sold in the Central Region in 2010. As a result of the increase in new residential unit launches and the decrease in units sold, sales performance for 2010 declined to 46.0%; however, this was still higher than the country's 45.7%.

**Number and Sales Performance of New Residential Unit Launches in the Central Region**

## 5. INDUSTRY OVERVIEW (Cont'd)

### Notes:-

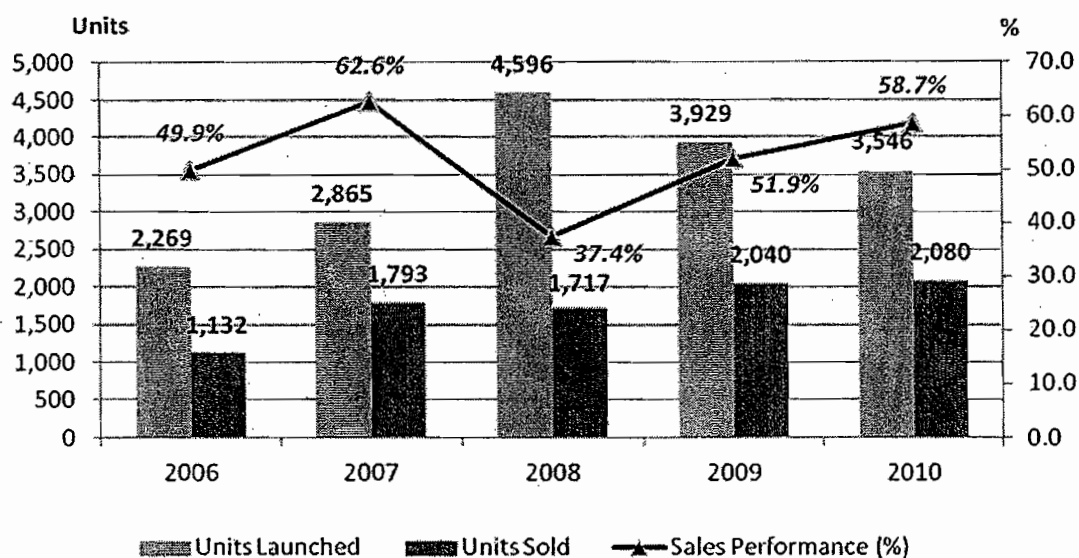
- For this figure, Putrajaya has been excluded from the data for the Central Region as only data from 2007 onwards are available for Putrajaya as at the date of the IMRR, and the numbers are negligible.
- Sales performance is derived by dividing the total number of units sold by the total number of units launched.

(Source: IMRR)

In the first three quarters of 2011, the total number of newly launched residential units sold in the Central Region recorded 4,369 units, which was a 6.5% decline from the number recorded in the first three quarters of 2010. Overall sales performance for new residential launches was also lower at 39.0% in the first three quarters of 2011, as compared to 51.5% in the first three quarters of 2010. Except for Selangor, Kuala Lumpur, Negeri Sembilan and Putrajaya saw improved sales performance in the first three quarters of 2011. Selangor recorded a decline in sales performance from 49.4% in the first three quarters of 2010 to 31.9% in the corresponding quarters of 2011.

In comparison to the country's overall performance, Pahang has seen higher sales performance in the past five (5) years, with the exception of 2008, when the number of new residential unit launches increased by 1.6 times year-on-year, while the number of units sold slightly decreased. Notably, in 2010, when both the country as a whole and the Central Region saw lower sales performance, Pahang's sales performance recorded a higher level compared to 2009.

### Number and Sales Performance of New Residential Unit Launches in Pahang



### Note:-

- Sales performance is derived by dividing the total number of units sold by the total number of units launched.

(Source: IMRR)

Demand for new residential launches continued to be strong in Pahang. In the first three quarters of 2011, a total of 1,756 new residential units were launched. This was 38.5% less than that registered in the corresponding quarters in 2010. However, sales performance for new residential launches was robust at 64.6% in the first three quarters of 2011 as compared to 52.0% in the first three quarters of 2010.

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**5. INDUSTRY OVERVIEW (Cont'd)**

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**2.4 Government Legislation and Policies**

The property development sector in Malaysia is regulated by three (3) levels of authority, namely the Federal Government, State Government and Local Government. The Federal Government regulates property development matters such as the protection of the environment, issuance of development licences and formulation of the national housing policy.

The respective State Governments, on the other hand, have sole control over land matters, covering issuance of land titles, conversion of land usage, and subdivision of land in their respective states. The Local Government is responsible for matters such as building plan approval, building inspection and provision of maintenance services for infrastructure such as roads, street lighting and refuse disposal, among others. The principal person responsible for submitting the building plan may be a professional architect, professional engineer or registered building draughtsman, who is also responsible for the issuance of the CCC. The CCC is proof that a housing accommodation has been completed and is safe and fit for occupancy.

**Ministry of Housing and Local Government (“MHLG”)**

MHLG is responsible for the development, control and licensing of residential properties in Malaysia. It ensures that housing developments are carried out in an orderly and balanced manner by monitoring the implementation of housing development projects by the private sector to ensure that these projects are implemented according to schedule, complete within the stipulated timeframe and are in compliance with the Housing and Development (Control and Licensing) Act 1966 (“**Housing Development Act**”) through its Monitoring and Enforcement Division.

The Fire and Rescue Department of the MHLG is responsible for ensuring developers and managers of high-rise complexes comply with fire and safety regulations, and that the necessary fire equipment is properly installed and maintained in good condition.

MHLG holds an important role in the property development industry. According to the Housing Development Act, any property development/ construction of housing accommodation of four (4) units or more requires a licence to be obtained and issued under the Housing Development Act prior to commencing development/ construction activities. Further, developers are also required to obtain an advertisement and sale permit in accordance with the Housing Development (Control and Licensing) Regulations 1989 prior to making any advertisement or sale of property governed by the Housing Development Act.

The following criteria have been set by MHLG as requirements for the issuance of a housing development licence and the advertisement and sales permit to a developer:-

- (i) the category of land use and the express condition of the land have been changed to ‘building’ and ‘residential’ or ‘residential and commercial’ respectively (for mixed development);
- (ii) the land intended to be developed has received the approval for subdivision;
- (iii) the building plans have been approved by local authorities;

## 5. INDUSTRY OVERVIEW (Cont'd)

- (iv) the developer has enough capital to complete the project; and
- (v) in respect of new housing developments, the support of the Monitoring and Enforcement Division of the MHLG.

### CIDB

In Malaysia, the construction industry is regulated by the Malaysian Construction Industry Development Board Act 1994 ("**CIDB Act**") and the regulations made under the CIDB Act. CIDB, a body established under the CIDB Act, is tasked with the development of the Malaysian construction industry, and acts as the registration, qualifying and licensing body for contractors and their personnel in the areas of building construction, civil engineering construction and mechanical engineering in Malaysia.

With effect from 20 July 1995, it is mandatory under the CIDB Act for all contractors to register with CIDB before engaging in any type of construction works in Malaysia (except those who are granted an exemption under section 40(1) of the CIDB Act). The licences granted by CIDB are classified under the seven (7) grades depending on the 'tendering capacity' of each and every construction company, as follows:-

Grade	G1	G2	G3	G4	G5	G6	G7
<b>Tendering Limit (RM)</b>	Not exceeding 100,000	Not exceeding 500,000	Not exceeding 1 million	Not exceeding 3 million	Not exceeding 5 million	10 million	No limit

(Source: IMRR)

As at December 2010, there are reportedly 64,792 contractors holding various licence grades throughout Malaysia. Slightly more than half of these registered contractors (33,280) hold the G1 licence, making them the largest group of licence holders. The second largest group consists of 10,961 registered contractors holding the G3 licence. 8,136 registered contractors hold the G2 licence, making them the third largest group.

### Ministry of Natural Resources and Environment ("NRE")

The Department of Environment ("**DOE**") under the NRE is responsible for preventing, controlling and abating pollution from construction and property development activities through the enforcement of the Environment Quality Act 1974 ("**Environment Quality Act**"). The Environment Quality Act requires that certain prescribed activities, such as housing developments covering an area of 50 hectares or more and the construction of coastal resort facilities or hotels with more than 80 rooms, to submit an Environment Impact Assessment Report to the DOE and obtain approval from the DOE.

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**5. INDUSTRY OVERVIEW (Cont'd)**

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**Joint Management Body ("JMB")**

For subdivided buildings such as condominiums, flats, apartments and townhouses, developers are required, under the Building and Common Property (Maintenance & Management) Act 2007, to form a JMB to assist unit owners, amongst others, to oversee the maintenance and upkeep of the common property and the collection of maintenance charges upon the delivery of vacant possession to unit owners and prior to the issuance of the strata titles. The duties and powers of the JMB are to be performed and exercised by a joint management committee, which is to consist of representatives of the developer and unit owners.

Developers are also required under the Strata Titles Act 1985 ("STA") to apply for the issuance of strata titles to property units within six (6) months from the date when a CCC for a completed building is issued. Upon issuance of strata titles, unit owners are required under the STA to form a management corporation, consisting only of unit owners, for the maintenance and management of common property.

**2.5 Competition and Industry Players****(i) Factors Affecting Competition****Access to land**

One of the key factors affecting competition is property developers' access to land, particularly prime land. Properties located on prime land are viewed positively by consumers, and are able to fetch better prices as these lands are usually located within growth areas, close to amenities and provide potential for capital growth.

The developments of Sentoria and its subsidiaries ("Sentoria Group" or the "Group") are well accessible and within close proximity to various amenities. For example, Taman Indera Sempurna 1, a township located along Jalan Kuantan-Pekan, is located approximately 15 minutes from Kuantan city centre and approximately 10 minutes from Kuantan Airport. Taman Bukit Rangin is an ongoing township development of Sentoria Group. It is situated close to the township of Bandar Indera Mahkota, Kuantan, which is approximately 4km from Kuantan city centre. Taman Bukit Rangin is easily accessible through the Kuantan Highway Bypass. Bukit Gambang Resort City ("Bukit Gambang Resort") and Kuantan Airport are also located in close proximity.

**Reputation in the market**

A property developer's ability to compete is also linked to his reputation in the market place. Those with a good reputation and a strong track record will have an edge in getting access to land as land-owners decide who to joint-venture with after taking into account the developer's track record in the market place. In addition, property developers with good track records have already gained the confidence of consumers; therefore, properties under their developments tend to be more popular, thus, increasing future sales potential.

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**5. INDUSTRY OVERVIEW (Cont'd)**

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Sentoria Group has established itself as a reputable township and resort city developer. Since its inception, the Group has completed 4,138 units of residential and commercial properties. Save for retained units, all of its completed units have been sold. More than 95.0% of its completed residential and commercial units were delivered ahead of schedule. This high take-up rate is a reflection of the demand for Sentoria Group's properties, and further indicates customers' confidence in the quality and value of the Group's developments.

**Ability to keep costs low**

Profit margins for property developments fluctuate due to operational and material costs. Hence, it is imperative that property developers keep costs low to ensure their competitiveness. Property developers who successfully manage costs and deliver quality and reasonably priced real estate properties are more likely to succeed in the long term. Sentoria Group undertakes critical construction functions internally instead of sub-contracting to external parties, in order to achieve better cost control. Thus, the Group is better placed to control its costs and profit margins.

**Product mix and marketing strategy**

A property developer's competitiveness is also highly dependent on its choice of product mix as well as the marketing strategy it adopts. The right product mix and marketing strategy will serve as a key cornerstone, which will help property developers to derive the optimal return for a particular land bank. By pursuing the correct market strategy tailored to specific target markets, property developers can not only maximise sales, but also encourage repeated patronage.

Sentoria Group's resort-style accommodation (Caribbean Bay Resort and Arabian Bay Resort) are mainly financed through a sale and leaseback arrangement, which creates a win-win situation for both customers and the Group. This arrangement allows customers to enjoy guaranteed rental and entitlement to free stay at the resort for a certain number of days in a year, amongst others. It also enables the Group to recognise property development income, and provides the Group access to the leased properties to support its leisure and hospitality operations.

**(ii) Industry Players**

Interviews with industry players in Pahang revealed the following players, which are among the more prominent ones in Pahang's property development scene:-

**Alam Tenggara Sdn Bhd ("ATSB")**

ATSB has been in the property development business for more than 16 years. Its residential projects in its early years include Cenderawasih and Serambu areas. Today, ATSB develops both residential and commercial projects in the Kuantan area, with developments such as Alam Damai Residence, comprising 62 units of single-storey terrace houses, as well as Taman Alam Perdana.



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**5. INDUSTRY OVERVIEW (Cont'd)**

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**PASDEC Holdings Berhad ("PASDEC")**

PASDEC is listed on the Main Market of Bursa Securities. Through its subsidiaries, PASDEC is involved in property development, project management, civil and building construction, manufacturing of bricks, trading of building materials, and management of resort and buildings.

PASDEC is involved in developing mix-developments, which include residential, commercial and industrial properties. The group's flagship projects are at Bandar Putra, Pasdec Damansara and Baluk Perdana. In 2009, PASDEC, through Pasdec Corporation Sdn Bhd, entered into a joint venture agreement to develop two (2) pieces of land at Bandar Damansara Kuantan into a commercial cum industrial estate.

**Perumahan Satelit Jaya Sdn Bhd ("PSJ")**

PSJ is a housing developer that originated from a construction firm. A family-owned business, PSJ is said to have approximately 20 years of history in this field. The company is focused on medium-cost to high-cost housing developments in Kuantan, Pahang. PSJ's property developments are usually medium in size, comprising less than ten (10) units per development, or slightly over 100 units for the bigger ones. PSJ also builds low-cost housing, but prefers to focus on medium-cost to high-cost developments for better profit margins.

**Sentoria**

Sentoria is a property developer specialising in the development of residential, commercial and leisure properties. Through its subsidiaries, Sentoria is also involved in general and civil engineering, project management, and hospitality and theme park operations. Sentoria has been in the property development business since 2001. Its first property development project was Taman Sentoria, which comprised 219 units of low, low-medium and medium cost terrace houses and 11 shop offices located in 16.1 acres of land. Its second property development project was a large-scale residential township that is spread across an area of 100.0 acres. Known as Taman Indera Sempurna 1, this development comprised 953 units of terrace houses and shop units. In addition to its property development business, Sentoria has since entered into the hospitality and theme park business. Bukit Gambang Resort, an integrated resort in Pahang, is developed and operated by the Group.

**Tunas Manja Development & Construction Sdn Bhd ("TMDC")**

TMDC is part of the Tunas Manja Group of Companies. The group was originally involved in the retailing business, but has since branched into property development. Interviews revealed that the target focus of TMDC's properties is investors. Like many other players, TMDC is involved in building mix-developments, which comprises a mix of residential and commercial properties. Some of its ongoing projects include D' Embassy, which is a condominium of 196 units, as well as Seri Manja Hotel. Interviews revealed that the group plans to make its township developments attractive by setting up its Tunas Manja retail outlets in these townships to offer convenience to residents.

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**5. INDUSTRY OVERVIEW (Cont'd)**


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**Winfast Corporation Sdn Bhd ("Winfast")**

Winfast has been engaged in mix-residential and commercial developments for more than 20 years. In the past, its developments were usually small-to-medium scale, comprising less than ten (10) units up to slightly over 70 units per development. The company has since expanded the scale of its developments in recent years. One of its current projects, Taman Mahkota Putra, comprises 150 units of mixed development.

**Franky Land Sdn Bhd ("Franky")**

Franky is another known property developer based in Pahang. Previously known as Franky Development Sdn Bhd, Franky has been in the property development business for approximately 20 years. Its properties are said to be well-known for its contemporary designs. They are further said to be priced high. Franky has developed various projects, ranging from commercial shop offices, office towers, landed homes, apartments and resorts. Jeram Estate, which comprises freehold bungalows located on the outskirts of Kuantan, is one project developed by Franky.

**2.6 Market Size and Ranking****(i) Estimated Market Size of the Residential Property Development Industry Based on New Units Launched**

In 2010, the total number of new residential units launched for the whole of Malaysia amounted to **47,698**. Within Pahang, new residential units launched amounted to **3,546** units.

**(ii) Estimated Market Share of Sentoria in Residential Property Development in Pahang**

Pahang recorded a total number of 3,546 new residential unit launches in 2010. Sentoria managed to launch 907 units during the year, which translates to a market share of **25.6%**. A total of 2,080 units of newly launched residential units in Pahang were sold during the year. Of these, Sentoria successfully sold 504 of its new launches, thus, accounting for **24.2%** of the total units sold in Pahang.

**(iii) Estimated Market Share of Sentoria in Residential Property Development in Malaysia**

In 2010, the total number of new residential units launched for the whole of Malaysia amounted to 47,698, Sentoria's 907 residential units launched for the year accounted for 1.9% of the country's new residential unit launches. Malaysia saw sales of 21,799 of newly launched residential units in 2010. Sentoria's successful sale of its residential new launches accounted for 2.3% of Malaysia's total sales.

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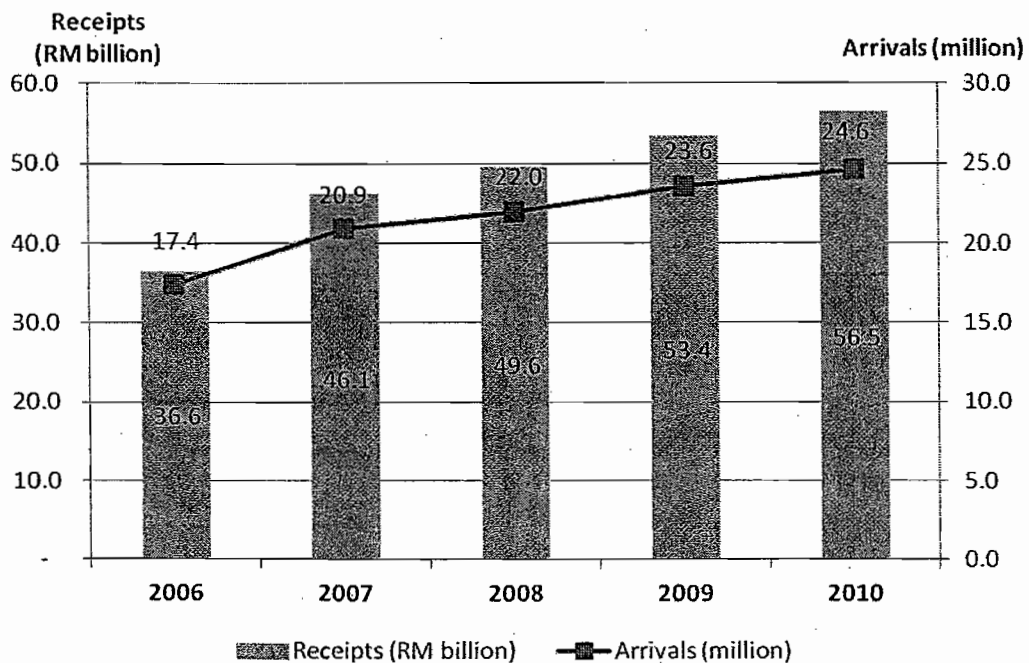
## 5. INDUSTRY OVERVIEW (Cont'd)

### 3 OVERVIEW OF THE THEME PARK INDUSTRY IN MALAYSIA

As Sentoria operates in the leisure and hospitality industry, the following discussion on tourism is to lend perspective to the macroeconomic factors relevant to Sentoria's business.

Tourism is the fifth largest industry in Malaysia. Since 2005, Malaysia has seen a constant rise in the number of tourist arrivals, and also a constant increase in tourist receipt value. In 2010 alone, 24.6 million tourist arrivals were recorded in Malaysia, generating RM56.5 billion in revenue. The government estimates tourist arrivals to reach 36.0 million by the year 2020. Tourist spending since 2006 to 2010 represents a CAGR of 11.5%.

#### Malaysia's Tourist Arrivals and Receipts



(Source: IMRR)

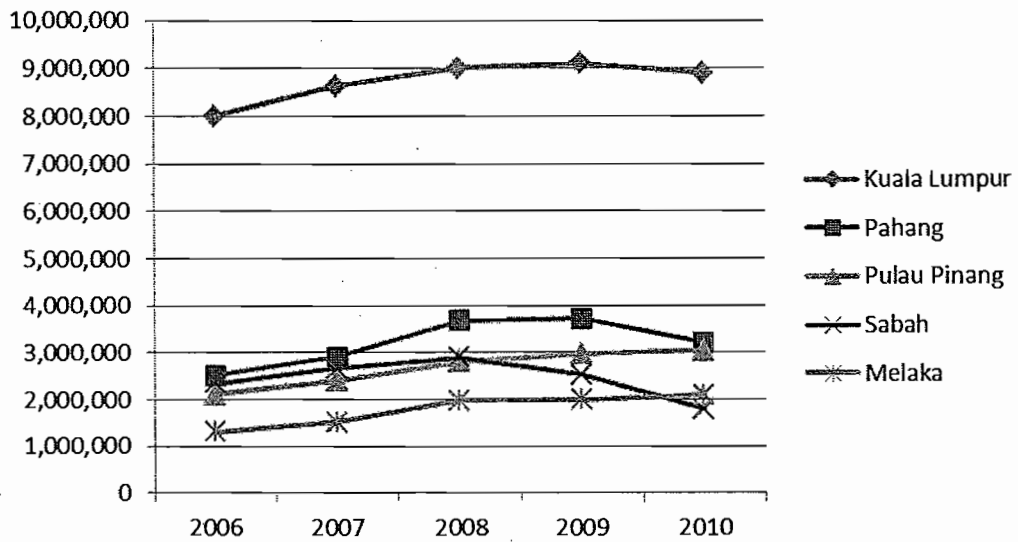
Due to geographical proximity, Singaporeans form the largest group of tourists in Malaysia, constituting slightly more than half of the total tourist arrivals in the country. This indicates that Singapore presents a huge source of tourist revenue. Indonesia remains a distant second, accounting for 10.2% of Malaysia's total tourist arrivals, followed by Thailand, which accounted for 5.9% of Malaysia's total tourist arrivals in 2010.

As per the figure below, Kuala Lumpur had the largest number of international hotel guests during the past five (5) years from 2006 to 2010. Pahang takes second spot, and has consistently reported the second highest number of international hotel guests in the past five (5) years. From 2006 to 2010, the number of international hotel guests to Pahang grew by a CAGR of 6.2%.

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5. INDUSTRY OVERVIEW (Cont'd)

**International Hotel Guests to the Top Five States (2006 to 2010)**



Notes:-

- The number of tourists to the respective states is gauged through hotel guests.
- Ranked based on 2010 figures.

(Source: IMRR)

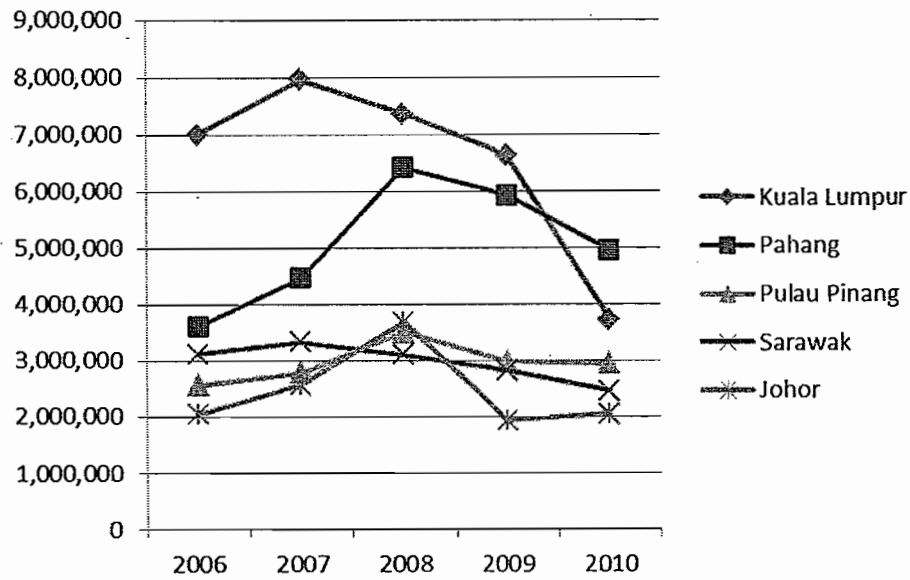
Domestic tourism in Malaysia presents a growing and vast revenue source for the local leisure and hospitality sector. In 2010, Malaysia recorded 115.5 million domestic tourists making 137.9 million domestic trips throughout the year. In comparison, 74.7 million domestic tourists made 90.5 million domestic trips in 2009. This represents an increase of 54.6% and 52.4% respectively. In addition, the average length of stay per trip for domestic tourists was 2.6 days, an increase from the average length of 2.4 days in 2009.

Both Kuala Lumpur and Pahang continue to be popular among domestic tourists, as they are among the top two states in terms of number of domestic hotel guests. As per the figure below, Johor saw an increase of 6.4% in the number of domestic hotel guests in 2010. The other four states saw a decline in the number of domestic hotel guests in the same year. Notwithstanding the decline in the number of domestic guests to Kuala Lumpur and Pahang in 2010, the average occupancy rates of hotels in both states were above the national average.

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5. INDUSTRY OVERVIEW (Cont'd)

**Domestic Hotel Guests to the Top Five States (2005 to 2010)**



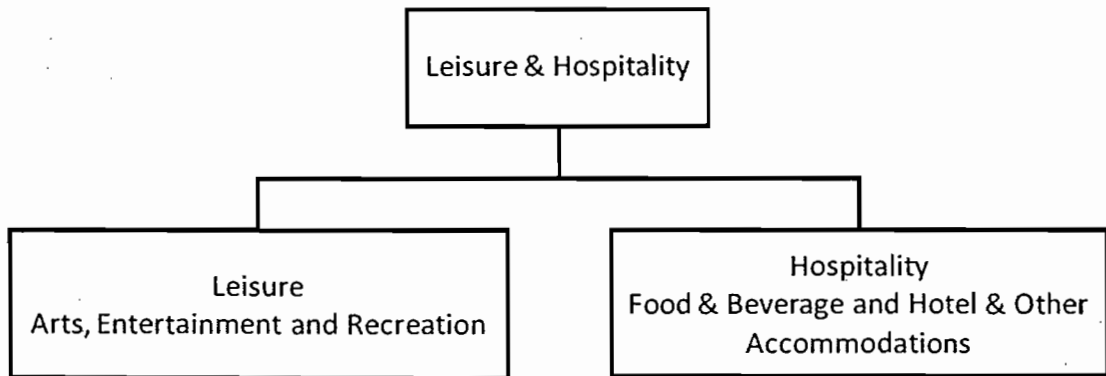
Notes:-

- The number of tourists to the respective states is gauged through the number of hotel guests.
- Ranked based on 2010 figures.

(Source: IMRR)

3.1 The Leisure and Hospitality Industry in Malaysia

The leisure and hospitality industry is a dynamic and diverse industry, comprising two (2) main segments:-



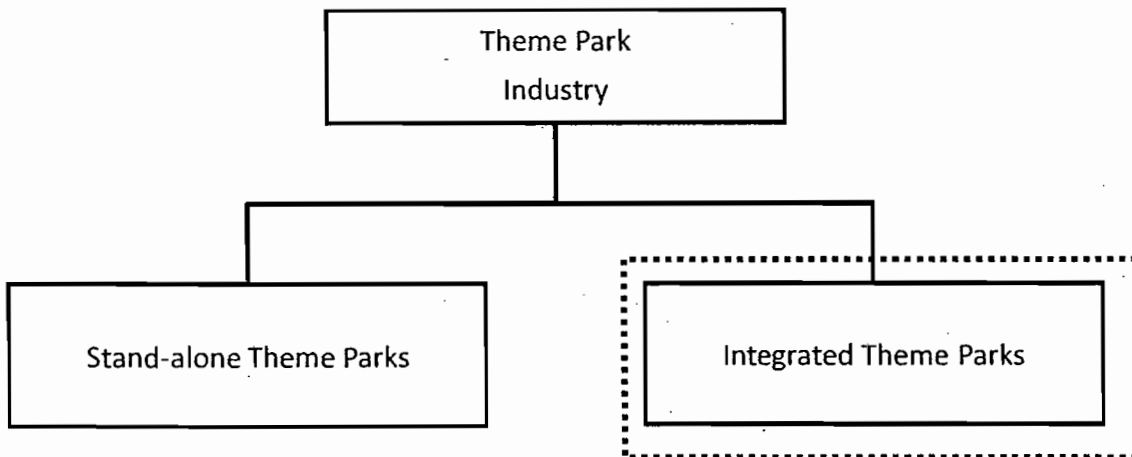
(Source: IMRR)

## 5. INDUSTRY OVERVIEW (Cont'd)

Sentoria is involved in both the Leisure and Hospitality segments. It operates an integrated theme park, which not only offers fun-filled attractions and activities for its guests, but also accommodations as well as food and beverage services. It also has meetings, incentives, conferences and exhibitions ("MICE") venues and facilities for group / corporate functions as well as outdoor recreational activities.

### 3.2 Various Segments in the Theme Park Industry

The theme park industry in Malaysia can be divided into two (2) distinct segments, namely stand alone theme parks and integrated theme parks.



Note:-

- Sentoria falls under the category of "Integrated Theme Parks" as framed above.

(Source: IMRR)

#### Stand-alone Theme Parks

Stand-alone theme parks are theme parks built without accommodation for guests. Stand-alone theme parks are usually located near city centres and housing areas, and are designed to attract day trippers. Day trippers generally finish their theme park visit within one day. Stand-alone theme parks are relatively smaller, but admission fees are also cheaper compared to integrated theme parks. Stand-alone theme parks are usually built on a simple theme or with no theme at all. Examples of stand-alone theme parks include Wet World Batu Pahat Village Resort and Desa Water Park.

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## 5. INDUSTRY OVERVIEW (Cont'd)

### Integrated Theme Parks

Integrated theme parks are usually located further away from city centres. Integrated theme parks incorporate a hotel or other forms of accommodation to accommodate guests. These theme parks cater to both day trippers and overnight visitors, with some offering their own transportation services and packages to encourage day trippers. While their location is usually further away from city centres and urban areas, integrated theme parks cover a bigger area, and offer more rides compared to stand-alone theme parks. However, admission fees are usually more expensive compared to stand-alone theme parks. Some examples of integrated theme parks in Malaysia are Resorts World Genting, Bukit Gambang Resort and Sunway Lagoon.

Stand-alone and integrated theme parks in Malaysia offer varying types of components to their visitors. Stand-alone theme parks tend to have less visitor capacity, and are built with fewer components due to smaller budgets compared to integrated theme parks. Meanwhile, integrated theme parks are designed and built to incorporate many components to attract large number of visitors. Various components in the Malaysian theme park industry can be divided into the following categories:-

Theme Park Component	Definition
Amusement Park – General	Theme park has no single/ particular theme - usually consists of rides and attractions only. Examples include Bukit Gambang Resort and Resorts World Genting.
Amusement Park – Themed	Theme park has a particular theme in its park - one particular theme for the whole park, or segmented areas with different themes are represented by the rides and attractions. Examples include Sunway Lagoon and Lost World of Tambun.
Water Park	A pure water park, or has a water park component, such as Bukit Gambang Water Park, Wet World Batu Pahat Village Resort, Sunway Lagoon and Desa Water Park.
Outdoor Recreation	Theme park has unique outdoor activities, such as (but not limited to) jungle safari, rock climbing, camping and ATV rides. Examples include Sunway Lagoon's Extreme Park and Bukit Gambang Resort's Active Academy.

(Source: IMRR)

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## 5. INDUSTRY OVERVIEW (Cont'd)

There are currently eleven (11) leading theme parks in Malaysia; 10 of these are water parks with some amusement park and/ or outdoor recreation facilities. Bukit Gambang Water Park is currently ranked third among water parks in Malaysia, based on the number of guests. For financial year ended 30 September ("FYE") 2010, Bukit Gambang Water Park attracted approximately 521,000 guests

The following figure illustrates Bukit Gambang Resort's position within the theme park industry:-

Name of Theme Park	Type of Theme Park		Theme Park Components			
	Stand-alone	Integrated	Amusement Park – General	Amusement Park - Themed	Water Park	Outdoor recreation
A'Famosa Resort		✓			✓	✓
Berjaya Times Square Theme Park	✓			✓		
Bukit Gambang Resort		✓	✓		✓	✓
Bukit Merah Laketown Resort		✓	✓		✓	✓
Desa Water Park	✓		✓		✓	
Lost World of Tambun	✓			✓	✓	✓
Melaka Wonderland Theme Park & Resort	✓		✓		✓	
Resorts World Genting		✓	✓		✓	
Sunway Lagoon		✓		✓	✓	✓
The Carnivall		✓	✓		✓	
Wet World Batu Pahat Village Resort	✓		✓		✓	

(Source: IMRR)

Sentoria's Bukit Gambang Resort is classified as an integrated theme park as it is larger and offers more attractions than those located within city centres and urban areas. It possesses three (3) out of the four (4) main theme park components – an amusement park, a water park (i.e. Bukit Gambang Water Park) and outdoor recreation activities (offered through Active Academy).

### 3.3 Dynamics of the Theme Park Industry

Within Malaysia, there are only eleven (11) leading theme parks, catering to 28.6 million citizens. Currently, all of these theme parks are located in Peninsular Malaysia.

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## 5. INDUSTRY OVERVIEW (Cont'd)

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The leading theme parks in Malaysia are mostly developed and operated by property developers and hotel operators, while a small number are developed and operated by companies specialising in theme park development and operations. Theme park development is governed by the same rules and regulations that cover property development, while theme park operations are subject to licensing approval from local authorities where the theme park is located.

The Malaysian theme park industry is driven by both foreign and domestic tourists. Data from 2010 suggest that domestic tourists outnumber foreign tourists in terms of number of visits to Malaysia. Foreign tourist arrivals only registered 24.6 million visitors, compared to 115.5 million domestic visitors in 2010. However, revenue from foreign tourists is higher compared to domestic tourists. In 2010, foreign tourists spent RM56.5 billion in Malaysia, compared to RM34.7 billion spent by domestic tourists.

The increase in domestic tourism in recent years can be attributed to high labour participation in the workforce (64.5% Labour Force Participation Rate as at December 2010, compared to 62.4% in the same period last year) and also increases in income and GDP per capita. Therefore, more Malaysians can afford to spend on non-essential items such as leisure and entertainment, fuelling domestic tourism in the country.

Affinity among family members in Malaysia is also a contributing factor to domestic tourism. 42.7% of domestic tourists stated visiting friends and relatives as the main reason for making domestic trips in 2010.

Local theme parks attract both foreign and domestic visitors by creatively pricing their entrance fees. Most theme parks have different pricing policies for Malaysians and foreigners, although some do charge a flat rate regardless of citizenship. Some also offer special rates bundled together with overnight packages, or special rates for purchase of yearly passes.

Targeting both foreign and domestic visitors is important as visitors from different destinations travel at different times in a year. Locals, and Singaporeans, who make up more than half of foreign tourist arrivals in Malaysia, usually travel during long holidays (i.e. Chinese New Year and Hari Raya) and school holidays, while visitors from the Asia Pacific, Europe and the Americas usually travel to Malaysia during their winter months. Middle Eastern visitors, on the other hand, travel to Malaysia during their summer months and the Haj season.

### 3.4 Government Legislation and Policies

The Malaysian Government supports tourism through various legislation and policies that benefit industry players.

#### **Tourism – Tourism Industry Act**

The Ministry of Tourism ("**MOT**") is tasked to enforce and execute the provisions in the Tourism Industry Act 1992 ("**Tourism Industry Act**") and it is empowered to prescribe regulations regulating the tourism industry such as the establishment and management of tourism training institutions, the classification of tourist accommodation premises and the rating of such premises and the conduct of or the carrying on of any business or service relating to tourism enterprises.

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**5. INDUSTRY OVERVIEW (Cont'd)**


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**Tourism – NKEA**

Under the 10MP and ETP, the tourism industry was identified as an NKEA, along with eleven (11) other industries. An NKEA industry is an industry that is distinguished as a key driver to Malaysia's economic activity, has potential to contribute significantly to the country's economic growth and raise the gross national income contribution. NKEA industries are given much attention by the government compared to non-NKEA industries in terms of funding and talent allocation.

During the planned period from 2011 to 2015, the government's target is to increase tourist receipts to RM115 billion, and to provide two (2) million jobs in the tourism industry by 2015. To achieve this, the government has identified twelve (12) Entry Point Projects ("EPP") across five (5) themes to cater to different tourist segments.

Among the more interesting themes are the "Family Fun", which targets the rapid growing middle class population in the People's Republic of China ("PRC"), India and the Middle East. Collectively, these countries represent approximately 48% of the global population, but only 13% of global tourism departures. 67% of all leisure travellers from India are from the middle class population; while in Saudi Arabia, 47% are from the middle class population; and in the PRC, 46% are from the middle class population. These countries collectively recorded an average departure growth rate of 11% annually from 1995 to 2008, compared to 2% for the rest of the world.

While the bulk of the project funding will come from the private sector, the government plays an important role in providing 'common enablers' to ensure the success of the EPPs. Four (4) common enablers identified by the government are as follows:-

1. **Increase and Focus Marketing**  
The government plans to increase and sustain its tourism marketing campaigns and target medium-haul markets such as the PRC and India. To achieve this, the government plans to increase the tourism marketing budget from RM386 million in 2008 to RM550 million by 2020. Further, the government has planned for "Visit Malaysia Year" campaigns in year 2012 and year 2017.
2. **Visa Facilitation Services ("VFS")**  
To sustain the growth of tourist arrivals, the government is looking to implement the VFS in the PRC and India as a measure to ease the visa application and approval process. VFS are being carried out on a pilot project basis in Mumbai and Hyderabad, India to attract more tourists in Malaysia. VFS involves the outsourcing of the administrative function of the visa application process. Through this, outreach to tourists is more extensive and efficient, thus, providing greater convenience to tourists.
3. **Ensuring Adequate Supply of Qualified Human Capital**  
To successfully execute the 12 EPPs and meet the government's tourism objectives, it is estimated that the tourism industry will require 497,000 additional workers from 2010 to 2020. 65% of this total will require vocational or certificate qualifications, 25% will need diploma qualifications, while the remaining 10% will require degree or post graduate qualifications.

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**5. INDUSTRY OVERVIEW (Cont'd)**


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Recognising a shortage of local, qualified workers in the tourism industry, the government addresses this shortage in the short term by allowing foreign students studying in the local hospitality industry to work on a part-time basis for up to 20 hours per week. Recruitment of qualified foreign talents for the tourism industry will also be liberalised, with tourism establishments allowed to hire foreigners on an annualised contract basis with unlimited renewals.

In the long run, the government plans to identify specific schools to focus on tourism, and create a curriculum that will produce qualified, high quality personnel for the tourism industry.

**4. Improve the Tourism Environment**

The government is committed to ensuring all support infrastructures are well maintained, services linked to the tourism industry are of high quality and tourism-related funds are accessible to industry players in the private sector. MOT has been tasked to lead this initiative by coordinating between the various industry stakeholders to improve the overall tourist experience in Malaysia. A few issues and areas have been identified to achieve this:-

- a. Free competition among taxi companies – Enabling cooperation between taxi companies and the MOT, whereby taxi companies that agree to adhere to MOT's minimum service standards will be promoted on MOT's website.
- b. Expand Malaysia's online presence by sponsoring websites, blogs and contests to create awareness on Malaysia as a travel destination.
- c. Ease access to funds for development of tourism-related products and services government to review existing regulations such as equity ownership and collateral requirements to ease funding access for tourism-related products and services, especially among small business operators.
- d. Leverage regular police in tourist areas – Train and deploy multilingual, 'tourist friendly' police officers in tourist hot spots to tighten surveillance and provide assistance to tourists.
- e. Train and campaign for clean public areas – Enforcement must be done by local authorities to ensure high cleanliness levels in public areas. Cleaning service companies must be accredited based on international cleanliness standards, while the private sector is encouraged to utilise the Human Resources Development Fund to upgrade the skills and knowledge of their staff. Government-sponsored campaigns, such as "Think Tourism Act Tourism", will continue to be used, with the aim of increasing awareness on the importance of tourism and cleanliness.

**ECER**

The ECER is one of the five (5) regional economic corridors designated by the government. Similar to other economic corridors in Malaysia, the ECER's objective is to accelerate economic growth of its member states. GDP growth is expected to increase from 5.7% in 2005 to 7.2% by 2020. The ECER is estimated to create 560,000 new jobs and attract a total of RM112.0 billion worth of investments from 2008 to 2020.

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**5. INDUSTRY OVERVIEW (Cont'd)**

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Tourism has been identified as one of the key drivers of the ECER Masterplan. The constituent states in the ECER are well known for their pristine beaches, lush rainforests and rich cultural heritage, making the ECER a popular destination amongst foreign and domestic tourists. Collectively, the ECER states attracted 2.9 million foreign tourists and 11.4 million domestic tourists in 2010. These numbers are expected to increase to 7.4 million foreign tourists and 21.4 million domestic tourists by 2020, representing a CAGR of 8.1%. Domestic tourists are expected to remain as the leading contributors to the ECER's tourism industry. To attract more investors to the ECER's tourism industry, the ECERDC has provided various incentives for industry players, including owners or operators of hotels and resorts, integrated resorts, theme parks and amusement parks, who have a minimum investment of RM5.0 million.

Tourism activities in designated areas indicated in the ECER Masterplan are offered the following incentives:-

- a. A choice of:-
  - Customised incentives (based on merits and on case-to-case basis)
  - 100% income tax exemption for ten (10) years
  - Investment tax allowance of 100% on qualifying capital expenditure for five (5) years
- b. Stamp duty exemption for land acquired for development;
- c. Withholding tax exemption on royalty and technical fees for ten (10) years; and
- d. Import duty and sales tax exemption on machinery, equipment and consumables that are not produced locally and used directly in the activity.

The ECER also offers various other incentives to other tourism-related activities such as single deduction of up to a maximum of RM1.0 million per assessment year for sponsors of hallmark events approved by the ECERDC and tax exemptions for income earned from international promotions and trade fairs.

**Financial support**

The government, through the MOT, also offers financial support to parties interested in building tourism infrastructure. The Tourism Infrastructure Fund ("TIF") is administered by the Development Bank of Malaysia Berhad (Bank Pembangunan Malaysia Berhad). This fund was set up to assist companies engaged in tourism infrastructure projects that contribute to the growth of the Malaysian tourism industry such as the development of theme parks, water parks, safari parks and eco-tourism infrastructure. Companies applying for financing must have minimum RM5.0 million paid-up capital, or 20% of the loan amount, whichever is higher. The minimum finance amount is RM5.0 million, while the maximum loan amount is RM50.0 million or 80% of the total cost of project, whichever is lower. Only a maximum of 40% loan amount is allowed if the purpose of such financing is for the acquisition of land. It is worth noting that TIF financing cannot be used to purchase amusement machines, rides and ferries for theme parks.

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**5. INDUSTRY OVERVIEW (Cont'd)**

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**3.5 Competition and Industry Players****(i) Factors Affecting Competition****Location**

Location also determines the intensity of competition between theme parks. Theme parks located in states without theme parks, or lesser theme parks tend to do better as visitors are localised in nature. Visitors from the local state and surrounding states of the theme park tend to make the bulk of its visitors. Theme parks located in the Central Region of Malaysia will have a higher intensity of competition, compared to other geographical regions in Malaysia due to the higher concentration of theme parks in this region.

Another important determinant for location is ease of access. Theme parks that are located near major highways, airports, or are easily accessible through other means of transport will have significant advantages over theme parks in remote locations. Bukit Gambang Resort is located just 35km from Kuantan, Pahang's state capital, and only 218km from Kuala Lumpur. With the opening of the East Coast Expressway, the time taken for visitors travelling from Klang Valley to Kuantan is shorter. In addition to domestic visitors, Bukit Gambang Resort is also easily accessible to visitors from Singapore. Kuantan is one (1) hour away from Singapore by flight and it takes approximately 20 minutes to travel from Kuantan Airport to Bukit Gambang Resort. Bukit Gambang Resort is also easily accessible to visitors from Singapore by road. It is just 367km, or 4.5 hours from Singapore by road, thus, making it a convenient destination for weekend getaways.

**Composition of rides and attractions**

The composition of rides and attractions in a theme park will also determine its attractiveness to visitors. As visitors prefer modern updated rides compared to older and traditional ones, they usually flock to theme parks when new rides and attractions are launched. Hence, theme parks that constantly introduce new rides and attractions will be able to draw visitors or sustain their interest to encourage continued patronage. Bukit Gambang Water Park currently has the longest 6-lane racer slide and family raft ride in Malaysia. Sentoria Group has sought to introduce attractions in phases to prolong the life cycle of its theme park. The introduction of attractions in phases allows newer rides and attractions to incorporate newer technologies and/ or better safety features.

Further, as the climate in Malaysia is generally hot and humid all year round, most Malaysian residents will value the presence of water parks within a theme park as it is cooler than a dry amusement park. All else being equal, water parks in Malaysia will also enjoy lower operating costs compared to water parks in cold climates, as no heating system is required to heat and regulate the water temperature.

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## 5. INDUSTRY OVERVIEW (Cont'd)

### Concentration of other attractions

The concentration of other forms of attractions in the region where the theme park is located also serves as an important factor in determining the level of competition. The Central Region has a comparatively higher concentration of alternative attractions such as shopping complexes, parks, zoos and cinemas, among others. With such a high concentration, consumers are spoilt for choice on where to go to seek recreation. On the other hand, the number of such alternative attractions is comparatively lower in the East Coast. Thus, consumers in this region have a smaller list of options, as compared to their counterparts in the Central Region.

### Availability of accommodation and other services

The availability of accommodation and other services in or within close proximity to a theme park is an important factor of consideration for visitors wishing to visit theme parks during their short getaways. Having accommodation and other services within easy reach to the theme park would provide much convenience to visitors and thus, serve as a draw factor. The availability of accommodation and other services also generates spill over effects for the theme park, as visitors are more likely to stay longer in order to enjoy the greater range of offerings by the theme park. Sentoria Group's Bukit Gambang Resort offers accommodation as well as MICE venues and facilities, in addition to Bukit Gambang Water Park and Active Academy (outdoor activities), to cater to a wider range of consumers.

### (ii) Industry Players

The following are the operators of the theme parks as disclosed in Section 3.2 above:-

Operator	Theme Park	Brief Description
Amalan Tepat Sdn Bhd ("ATSB")	A'Famosa Water World	ATSB is the developer of A'Famosa Resort in Alor Gajah, Melaka. ATSB also operates a water park, 'A'Famosa Water World', in the resort. The A'Famosa Water World covers an area of 20 acres.
Amat Muhibah Sdn Bhd ("AMSB")	Desa Water Park	AMSB is the operator of Desa Water Park in Selangor. Desa Water Park is a stand-alone theme park offering water-based attractions. The theme park is spread across 12.6 acres.
Berjaya Times Square Theme Park Sdn Bhd ("BTSTP")	Berjaya Times Square Theme Park	BTSTP is the operator of the indoor theme park, Berjaya Times Square Theme Park, which is located in one of the biggest shopping malls in Malaysia, the Berjaya Times Square in Kuala Lumpur. The indoor park covers an area of 133,000 square feet.

**5. INDUSTRY OVERVIEW (Cont'd)**

<b>Operator</b>	<b>Theme Park</b>	<b>Brief Description</b>
Bukit Merah Resort Sdn Bhd ("BMR")	Bukit Merah Laketown Resort	BMR is the operator of Bukit Merah Laketown Resort theme park, an integrated theme park located in Semanggol, Perak. BMR's water park covers 11 acres of land.
EUPE Golf, Recreation and Tour Sdn Bhd ("EUPE")	The Carnivall	EUPE is the operator of The Carnivall, an integrated theme park located in Sungai Petani, Kedah. The Carnivall is built to complement Cinta Sayang Resort, also operated by EUPE. The theme park is developed across 17.3 acres of land.
Genting Malaysia Berhad ("GMB")	Resorts World Genting	GMB is the operator of Resorts World Genting, located at Genting Highlands. It is an integrated theme park and is divided into three (3) sections; indoor, outdoor, and water park.
Melaka Wonderland Sdn Bhd ("MWSB")	Melaka Wonderland Theme Park and Resort	MWSB is the operator of Melaka Wonderland Theme Park and Resort, located in Ayer Keroh, Melaka. Melaka Wonderland Theme Park and Resort is spread across 22.7 acres of land.
Sentoria Themeparks and Resorts Sdn Bhd ("Sentoria Themeparks")	Bukit Gambang Resort	Sentoria Themeparks is the developer and operator of Bukit Gambang Resort. It is part of the Group. Bukit Gambang Resort is an integrated resort, which includes Bukit Gambang Water Park and Active Academy. Located in Bukit Gambang, Pahang, Bukit Gambang Water Park is spread across 45.8 acres of land.
Sunway Lagoon Sdn Bhd ("SLSB")	Sunway Lagoon	SLSB is a subsidiary of Sunway City Berhad and is the operator of Sunway Lagoon, in Selangor. The theme park is located on over 88 acres of land.
Sunway Lagoon Water Park Sdn Bhd ("SLWP")	Lost World of Tambun	SLWP is a subsidiary of Sunway City (Ipoh) Sdn Bhd, which is a direct subsidiary of Sunway City Berhad. SLWP operates the Lost World of Tambun, a water park located in Tambun, Perak which is spread across 40 acres of land.

## 5. INDUSTRY OVERVIEW (Cont'd)

Operator	Theme Park	Brief Description
Platinum Attractions Sdn Bhd ("PASB")	Wet World Batu Pahat Village Resort	PASB is the operator of Wet World Batu Pahat Village Resort in Batu Pahat, Johor. WWSB is part of the Only World Group. Wet World Batu Pahat has a built-up water park area of approximately 8 acres.

(Source: IMRR)

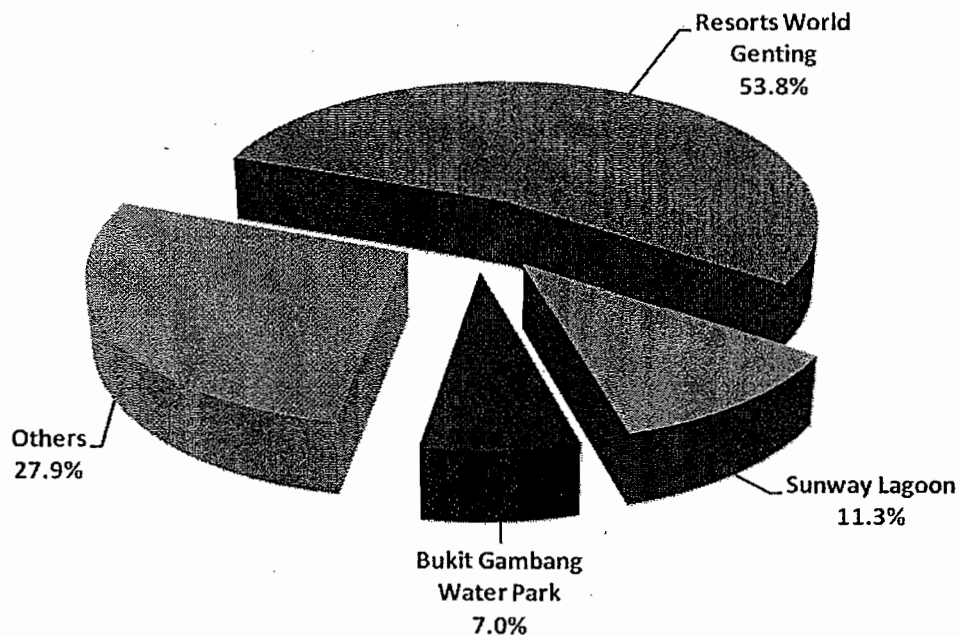
### 3.6 Market Size and Ranking

#### (i) Estimated Market Size of the Theme Park Industry

The market size of the theme park industry in Malaysia, based on sales revenue, is estimated to be worth between RM300.0 million to RM350.0 million in 2010.

The number of visitors to theme parks in the country is estimated to be approximately 7.4 million in 2010.

#### (ii) Estimated Market Share of Sentoria's Bukit Gambang Water Park in the Theme Park Industry



Notes:-

- The market share tabulated was based on the estimated number of visitors to the above-mentioned domestic theme parks for 2010.
- One (1) ticket sale represents one (1) visitor.

(Source: IMRR)



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**5. INDUSTRY OVERVIEW (Cont'd)**

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With approximately 521,000 visitors received by Bukit Gambang Water Park in FYE 2010, Sentoria's market share in the domestic theme park industry is approximately 7.0%. Notably, within 1.5 years of its inception, Sentoria's Bukit Gambang Water Park has attracted a good number of visitors to allow the theme park to be ranked third amongst local peers.

**4 DEMAND CONDITIONS****4.1 Demand – Malaysia, Central Region and Pahang**

Since 2007, Malaysia has been posting sales of new residential launches of over 20,000 units annually. In 2006, sales of new residential launches of the country registered 15,630 units. From 2006 to 2010, the Central Region consistently contributed to a substantial portion of Malaysia's total new residential sales. In 2006, it accounted for 36.1%. The percentage contribution rose above 40% from 2007 and 2009 before returning to approximately 36.0% in 2010. Pahang, on the other hand, contributed less than 8.0% of Malaysia's total new residential sales from 2006 to 2008. However, this proportion grew to 9.2% and 9.5% in 2009 and 2010 respectively.

In terms of residential properties, Malaysia's take-up rate for new launches for 2009 and 2010 were 48.0% and 45.7% respectively. In the first three quarters of 2011, overall sales performance was 39.5%, which was lower than the 42.8% recorded in the first three quarters of 2010. The fall in the overall sales performances in the first three quarters of 2011 was attributed to the increase in the number of new residential launches during the period.

The take-up for new residential launches within the Central Region has been higher than the country's average sales performance in 2009 and 2010. The Central Region posted take-up rates of 56.2% and 46.0% in 2009 and 2010 respectively for its new residential launches. In the first three quarters of 2011, overall sales performance for the Central Region recorded at 39.0%, which was slightly lower than the national average of 39.5% for the same period.

Pahang, on the other hand, has been consistently performing above the national average in 2009, 2010 and the first three quarters of 2011. In 2009 and 2010, Pahang posted sales performances of 51.9% and 58.7% respectively, whereas in the first three quarters of 2011, its sales performance reached 64.6%. Pahang's sales performance for its new residential launches exceeds that of the country's national average as well as Central Region, indicating a high demand for the state's residential properties.

**4.2 Growing Population and Rising Purchasing Power**

Demand for properties and leisure is dependent upon the population and wealth of a nation. The Malaysian economy is growing at a much faster rate than its population. From 2006 to 2010, Malaysia's real GDP and real GDP per capita saw a CAGR of 4.1% and 2.5% respectively, whereas population growth was a lower CAGR of 1.6%. Therefore, not only does Malaysia have a growing population, the Malaysian population is generally experiencing a higher growth in purchasing power. Thus, there is an increasing demand for accommodation, especially when more people are able to afford to buy a property.

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**5. INDUSTRY OVERVIEW (Cont'd)**

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Rising purchasing power in Malaysia has spurred the development of Malaysian domestic tourism, therefore, giving rise to demand for leisure. Moreover, Malaysia also has a big youth population, with approximately 45.1% aged below 25. Youth spenders have, generally, a higher willingness to spend on leisure and entertainment. Thus, this segment presents a huge market for the leisure and entertainment sectors in Malaysia.

**4.3 Interest Rates and Foreign Exchange Rates Affecting Property Prices**

Interest rates are more likely to affect domestic demand for properties while foreign exchange rates may have a more significant impact on property demand by foreigners. These rates have direct impact on the ability to finance a property purchase or to invest in a property. Higher interest rates affect consumers and investors' demand for properties as they translate to higher financing costs/ cost of investments.

A property that is denominated in local currency will be perceived as becoming more expensive when the currency appreciates and may attract less foreign buyers.

**4.4 Property Characteristics and Location**

Be it for accommodation or investment, property buyers always take into consideration the quality and the location of a particular property. Demand will be higher for properties in strategic locations, such as those in developed areas that have good integrated facilities, easy accessibility and good connectivity, or have superior features than other alternatives. Likewise, properties in remote or undeveloped areas might see lower demand, unless the developers can offer buyers other benefits, such as lower prices or future development in the neighbourhood.

Likewise, the location of theme parks and the availability of accommodations within close proximity to the theme parks are important factors influencing visitor rates. Visitors are more likely to visit theme parks which can be accessed easily. They also consider the availability of accommodation within the vicinity of the theme parks they want to visit. This is especially applicable for those who intend to visit theme parks as a short getaway, rather than a day trip.

**4.5 Alternative Investments**

As property may be a form of investment, it is subject to substitutes such as other properties or overseas properties, stocks and bonds. While there are numerous investment options, investors have limited resources for their portfolio. How investors utilise their funds depend on the relative attractiveness of each investment option.

**4.6 Economic Sentiment and Income Level**

When the economy thrives, people are more positive about the economic outlook and are more induced to spend on non-necessities, which include leisure activities. In addition, consumers generally enjoy higher purchasing power due to higher income levels in line with good economic performance. Therefore, their demand for leisure activities increases. On the contrary, the demand will be lower during economic downturns as people try to economise on their income and prioritise spending on necessities.

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**5. INDUSTRY OVERVIEW (Cont'd)**


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**4.7 Increased Number of Foreigners**

Malaysia has attracted many foreigners in recent years. These foreigners may be tourists who travel or engage in work in the country.

Whether these foreigners stay in the country for a short vacation or on a long-term basis, their presence is in itself a factor that affects the demand for accommodation and leisure activities in the country.

**4.8 Ease of Financing**

Consumers' demand for properties is dependent on the options available for financing their purchases, as properties are generally considered an expensive item to the general population. More home loan schemes with flexible options, or government grants and subsidies will boost demand for housing, and vice versa.

The total value of bank loans for the purpose of purchasing residential properties has been on the rise since 2006. From 2006 to 2010, the total value of bank loans for the purpose of residential purchases increased by a CAGR of 10.0%. As at end of Q3 2011, the total bank loans for residential property purchases registered approximately RM260.5 billion.

**5 SUPPLY CONDITIONS****5.1 Supply – Malaysia, Central Region and Pahang**

From 2006 to 2010, supply of residential units in Malaysia amounted to over five million annually. In the first three quarters of 2011, the supply of residential units in Malaysia has also amounted to over five million. In 2006, the nationwide supply was 5.1 million and the number reached 5.7 million in the first three quarters of 2011. During this period, the proportion of supply of residential units accounted by the Central Region was between 43.0% to 44.0%, with the exception of 2008, which saw the region accounting for 54.0%. In the first three quarters of 2011, the Central Region supplied approximately 2.5 million units of residential units. Pahang, on the other hand, had accounted for approximately 4.9% from 2006 to 2009, except for 2008 which saw a decline in its contribution to 4.0%. In 2010 and in the first three quarters of 2011, the proportion reached approximately 5.0%.

**5.2 Inputs for Construction****Raw Materials**

Property developers are highly dependent on the availability of raw materials to carry out building and construction activities. The main raw materials used within the property development sector are as follows:-

- Cement (inclusive of Portland Cement and Asbestos Cement)
- Concrete products (such as bricks, roofing tiles and ready-mixed concrete)
- Iron and Steel Products (such as iron and steel bars, rods, tubes and pipes, hot-rolled and cold-rolled coils and flat-rolled products)
- Non-Ferrous Metals (such as curtain walls, aluminium panels and roofing as well as extrusions for windows and doors)

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**5. INDUSTRY OVERVIEW (Cont'd)**

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- Wood and wood products (covering products such as veneer, carpentry works, hardwood and particle wood)

A number of raw materials for construction activities are traded commodities, and have seen upward trends in their prices. This drives up construction costs and, in turn, may require developers to scale down their activities, leading to a decrease in supply.

Price increases in raw materials also affect the profit margins of property developers. In 2010, the gross average selling price of cement rose by 9% to RM300 per tonne as compared to 2009, a move by cement makers to offset increase in production costs. In April 2011, the net average selling prices of the larger cement players increased by approximately 7.0%, raising the gross cement selling price to a range between RM318 and RM320 per tonne. The price of steel sheet piles (Box type, 342 mm X 400 mm) increased from RM3,283.33 per tonne in January 2010 to RM3,333.33 per tonne in July 2011. Plywood (shuttering board, 4" X 8" X 25 mm) prices also increased, from RM123.33 per piece in January 2010 to RM128.67 per piece in July 2011, which presented a rise of 4.3%. Prices of reinforced concrete pile (200 mm X 200 mm) also saw a hike, rising from RM188.50 per piece in January 2010 to RM192.83 per piece in July 2011.

**Labour Supply**

The construction industry in Malaysia is highly dependent on foreign labour. Measures to control the number of foreign workers and increases on foreign worker levies exert pressure not only on the industry's margins, but also affects the industry's ability to hire and ensure sufficient labour force to ensure the timely completion of projects.

The Malaysian government has raised the levy on foreign workers for all sectors by RM50, starting September 2011. Foreign worker levy for the construction industry has risen from RM1,200 to RM1,250 for worker. In addition, the Malaysian government is also considering implementing security bonds to ensure employers are responsible for their foreign employees. However, this concept is still under consideration pending consultation with local companies. If this is enforced, the overhead costs of labour will increase across industries, including property and hospitality, causing industry players to adjust their supplies accordingly.

**5.3 Rules and Regulations**

The Malaysian government has made information on property stock in the country publicly available. On one hand, this effort helps improve the situation of asymmetric information and bridge the gap between demand and supply. On the other hand, when developers are more informed about market movements, they might change or adjust their business decisions and development plans at shorter time intervals, thereby affecting the supply.

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**5. INDUSTRY OVERVIEW (Cont'd)**

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Supplies are partially determined by forecasted demand. Thus, certain rules and regulations that are applicable to consumption will have an indirect impact on the output of producers. For example, easing the property ownership rules for foreigners might encourage developers to develop more properties to cater to foreigners' needs, or more stringent paper work that property buyers are required to complete for their purchases and higher fees incurred in the process (for example, stamp duty or processing fees) may decrease domestic supply because of lower expected sales.

**5.4 Financial Resources**

Property developers are highly dependent on the availability of sufficient financial resources before they can undertake any property development activity. Without access to financial resources, it is difficult, or even impossible, for developers to acquire land and carry out construction activities.

One of the key sources of finance for property developers is bank borrowings. Property developers' access to such facilities is critical, as this will determine their ability to sustain their operations and their ongoing and/or future projects.

According to JPPH, total loans to the property sector amounted to RM433.5 billion in 1H 2011. This represented a rise of 15.3% from 1H 2010, which posted RM376.1 billion worth of loans.

Loans rendered for construction activities registered at RM38.9 billion in 1H 2011, as compared to RM36.8 billion in 1H 2010. Out of this, the proportion used for the construction of residential construction represented 21.5% in 1H 2011, whereas loans used for the construction of commercial developments accounted for 8.6%.

**5.5 Supply Conditions of Leisure and Hospitality Services**

The availability of skilled labour is essential in leisure and hospitality operations. Given the diversity of products and services that leisure and hospitality operators offer, skilled workers such as chefs as well as hotel and restaurant managers, play an important role to ensure that the standard of products and level of services is consistent and meets customer expectations. Further, skilled workers such as engineers and technicians are also required to ensure the upkeep of leisure and hospitality properties. It is also vital to hire trained and qualified personnel to operate water parks and eco-based activities to ensure the safety of patrons.

The continuous supply of water and electricity to hotels and theme parks are also critical for their operations. A constant supply ensures that leisure and hospitality operations are not disrupted, causing inconvenience to visitors.

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**5. INDUSTRY OVERVIEW (Cont'd)**

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**6 SUBSTITUTE PRODUCTS**

**6.1 Substitutes for Properties**

There are no practical substitutes for properties. However, within each sub-sector of properties, various property types are considered substitutes amongst themselves. In some cases, properties of one sub-sector might be seen as alternatives for another sub-sector, such as the possibility to use a residential unit as an office, or the mixed use of a property for various purposes.

**6.2 Substitutes for Theme Park**

As an alternative for theme parks, people might choose to visit different venues for recreation and leisure activities, such as zoos, cultural attractions or picnic sites, amongst others.

**7 RELIANCE AND VULNERABILITY TO IMPORTS**

**7.1 Raw Materials**

Raw materials required for construction of properties and theme parks include steel, iron, tiles, cement, sand and bricks. The reliance on and vulnerability to imports of such raw materials are perceived to be insignificant as supplies are generally widely available in the domestic market. Further, it is not economical for local property developers / construction firms to import such raw materials due to the high volume required in construction.

**7.2 Water Park Equipment**

Supplies of equipment for water parks are largely imported into Malaysia. This is because Malaysia currently does not have the expertise to design new and unique water park equipment. Overseas sources of water park equipment include countries such as Canada, Japan and the United Kingdom, among others. When an order for water park equipment is placed, the appointed overseas supplier designs the equipment based on specifications before enlisting a Malaysia-based contractor to assemble the finished water park equipment. While it is possible for theme park operators to approach such Malaysian contractors, these contractors do not have design capabilities and can only re-produce water park equipment based on designs of previous work orders.

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## 5. INDUSTRY OVERVIEW (Cont'd)

### 7.3 Foreign Labour Force

Malaysia is reported to have approximately 2.3 million registered foreign workers working in various industries in the country as at September 2011. Industries such as construction, plantations and food and beverage are some of the biggest employers of foreign labour in Malaysia. The recent years have seen much talk on Malaysia attempting its bid to reduce its heavy dependence on foreign workers. This move is seen as a way to protect domestic workers from retrenchment, following the global financial crisis. It has been reported that the Malaysian government wanted to limit the recruitment of foreign workers to 1.5 million in three years starting from 2010. By way of increasing recruitment costs, such as foreign work levies, the Malaysian government hopes to resolve the issue of unskilled foreign workers. However, such an increase in foreign worker levy would have a severe impact on the construction and property development industry, which is heavily reliant on foreign labour.

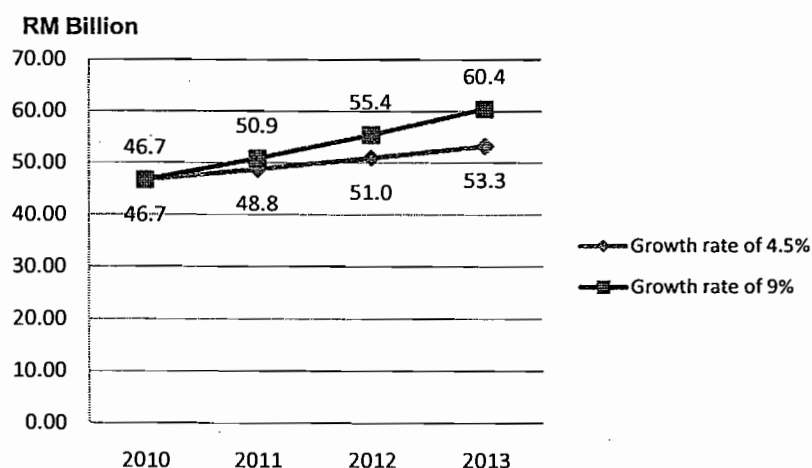
## 8 INDUSTRY OUTLOOK AND PROSPECTS

The outlook of the property development industry in the Central Region and Pahang remains positive. The outlook of the theme park industry in Malaysia is also expected to remain favourable.

### 8.1 Property Development Industry in the Central Region

The Central Region is expected to reach growth rates of between 4.5% to 9.0%. The value of property transactions in this region is anticipated to reach between RM53.3 billion to RM60.4 billion in 2013.

#### Estimated Value of Property Transactions in Central Region from 2011 – 2013



(Source: IMRR)

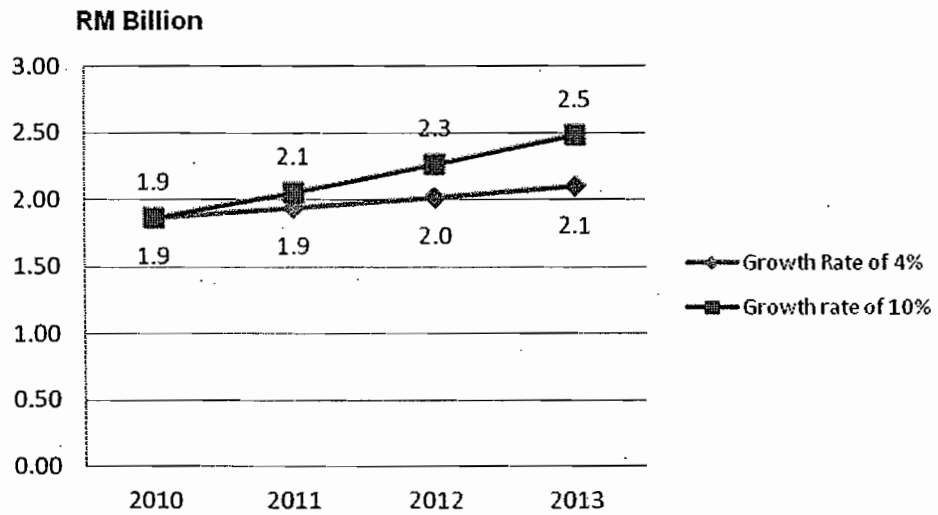
5. INDUSTRY OVERVIEW (Cont'd)

8.2 Property Development Industry in Pahang

Pahang-based developers observed that growth in the properties sold for local consumption is estimated to be 4.0%, whereas those purchased for the purpose of investments will see a higher growth rate of 10.0%.

Based on these findings, the value of the property transactions in Pahang is expected to reach between RM2.1 billion to RM2.5 billion in 2013.

Estimated Value of Property Transactions in Pahang from 2011 to 2013



(Source: IMRR)

8.3 Theme Park Industry in Malaysia

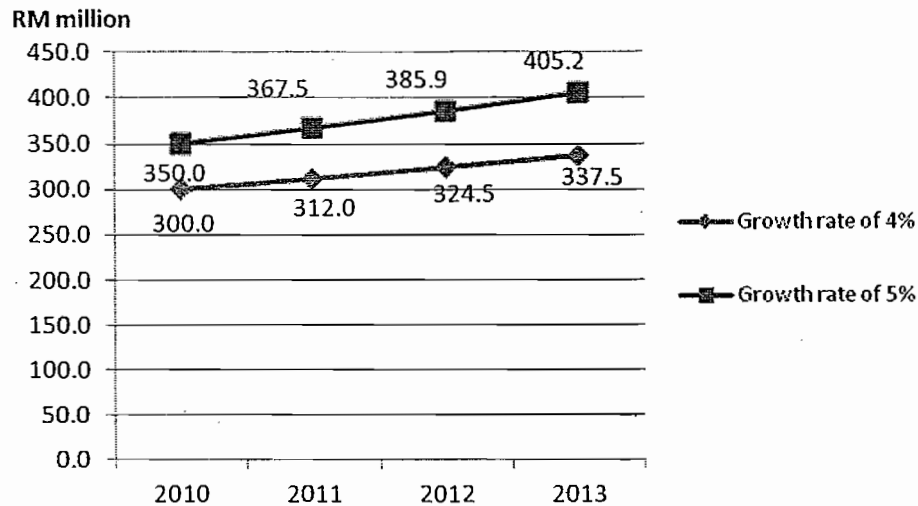
Interviews with industry players indicate that the theme park industry is expected to grow at an annual rate of 4.0% to 5.0% from 2011 to 2013. Based on these estimates, the market size of the theme park industry in Malaysia is expected to reach between RM337.5 million to RM405.2 million by 2013.

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## 5. INDUSTRY OVERVIEW (Cont'd)

### Estimated Market Size of the Theme Park Industry in Malaysia from 2011 to 2013



(Source: IMRR)

#### 8.4 Growth Drivers

##### Performance of the Malaysian economy

The performance of the Malaysian economy will be an important determinant in spurring the growth of both the property development and theme park industries in the country. Despite being affected by the 2008 global economic crisis, the Malaysian economy has shown strong signs of rebound, resuming its double-digit GDP growth momentum in 2010. Results for the first two quarters of 2011 indicated that economic recovery has been positive. For Q1 and Q2 2011, Malaysia recorded GDP of approximately RM203.4 billion and RM209.4 billion respectively, which was 11.3% and 12.4% higher than the corresponding quarters in 2010. This augurs well for the nation for during times of good economic growth, chances of employment and salary increments are higher. Consumer sentiments will also be positively impacted, leading in increased willingness among consumers to spend.

##### Consumer spending

The average Malaysian monthly consumption expenditure reached RM1,953 in 2004/05, as reported by a household expenditure survey. This was an increase from 1998/99, when it was RM1,631. It was further noted in the 2004/05 survey that households in urban areas spent RM2,285 monthly, 1.8 times more than rural households, who spend RM1,301 monthly. We note that there are no updated statistics available on the average monthly consumption expenditure in Malaysia. The last household expenditure survey was conducted in 2005.

We further note that 70% of household expenditures are spent on four (4) main groups, namely:-

- Food
- Housing, Water, Electricity, Gas and Other Fuels

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**5. INDUSTRY OVERVIEW (Cont'd)**


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- Transport
- Restaurants and Hotels

The spending power of Malaysians continues to increase as they earn more. The increase in number of working mothers also increases household income. As such, the increase in disposable income will lead to increased demand for properties and leisure.

**Growth in the property market**

The property market in Pahang and the Central Region has been buoyant in the past two years. In 2009, Pahang recorded 8,066 residential transactions at a total transaction value of RM946.5 million. In 2010, the total number of transactions and total transaction value for residential properties in Pahang increased by 4.0% and 12.8% respectively, reaching 8,390 and approximately RM1.1 billion in terms of volume and value. In the first three quarters of 2011, the volume and value of residential transactions reached 6,558 and RM908.5 million respectively, up 7.0% and 15.3% from the corresponding quarters of 2010.

The Central Region saw even higher growth rates. In 2009, the Central Region recorded 92,995 transactions and a total transaction value of RM25.7 billion for residential properties. In 2010, the total number and value of residential transactions in the Central Region registered 101,215 and RM31.8 billion respectively. This represented a positive growth of 8.9% and 23.8% in terms of volume and value. In the first three quarters of 2011, the Central Region posted 85,034 residential transactions worth approximately RM27.2 billion, an increase of 15.2% and 18.8% respectively, in terms of volume and value from the corresponding quarters of 2010.

Demand for residential properties in Pahang and Central Region has been healthy. In 2009, Pahang recorded a take-up rate of 51.9%, whereas the take-up rate for the Central Region was 56.2%. In 2010, Pahang's take-up rate for residential units increased to 58.7%, whereas the take-up for Central Region fell to 46.0%. Nevertheless, it is noteworthy that both Pahang and the Central Region recorded take-up rates for residential properties that were above national average for both years.

In the first three quarters of 2011, take-up rate for Pahang's residential units peaked at 64.6%, which was higher than the take-up of 52.0% posted in the first three quarters of 2010. Pahang's sales performance in the first three quarters of 2011 also exceeds the national average of 39.5%. Sales performance for Central Region declined to 39.0% in the first three quarters of 2011, as compared to 51.5% in the corresponding quarters of 2010. However, it should be noted that Central Region's sales performance is marginally lower than the national average.

Notwithstanding this, the buoyancy of the Malaysian property market is expected to be fuelled by the various measures undertaken by the Malaysian government such as My First Home Scheme and Malaysia, My Second Home ("MM2H") programme.

**MM2H**

In general, the MM2H programme was designed to welcome foreigners, without age limit, to reside in Malaysia beyond the time limit imposed by current travel or business visas.

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**5. INDUSTRY OVERVIEW (Cont'd)**

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MM2H participants are provided with a 10-year visa entry permit, which is renewable thereafter. The programme is open to all foreigners and applicants are allowed to bring their spouses and unmarried children below the age of 18 as dependents.

**Tourism sector**

Malaysia's tourism industry is growing, and is fast becoming a major tourist destination in Asia. In 2010, Malaysia recorded 24.6 million tourist arrivals and RM56.5 billion in tourist receipts, representing an increase of 4.2% and 5.8% respectively from the previous years. The government has plans to increase and sustain its tourism marketing campaigns. The plans include the increase of the tourism marketing budget from RM386 million in 2008 to RM550 million by 2020, and to launch 'Visit Malaysia Year' campaigns in 2012 and 2017.

**Innovative tourism programmes**

Other innovative and aggressive programmes, to benefit both locals and tourists, have been implemented to boost tourism in the country. The Homestay programme allows local villagers to rent their rooms to tourists, providing an "authentic unique experience". Furthermore, approximately 500 Malaysian guides are said to be undergoing a three-month foreign language course. The languages being pursued include Russian, Arabic, South Korean, Japanese and French. These guides would act as much needed aid to the tourists in Malaysia and boost the tourism sector.

**Destination for MICE**

Apart from appealing to general tourist avenues, Malaysia is also set to promote itself as a destination for MICE tourists. With the establishment of the Malaysia Convention and Exhibition Bureau ("MyCEB") in late 2008, Malaysia looks set to tap into the lucrative MICE tourist market. MyCEB has embarked on a promotion drive in numerous global events, with the objective of increasing the current expenditure value of MICE tourists, valued at RM3.17 billion or only 6.9% of the total tourism expenditure in Malaysia in 2007.

**Liberalisation of the aviation industry**

The occupancy levels of hotels could be improved with the support of major airlines operating direct flights into KLIA. The Malaysian tourism industry has benefited from an increasing number of international airlines and flights serving KLIA. The further expansion of the budget carrier industry in Malaysia, which now sees local low cost carrier AirAsia flying from Kuala Lumpur to Singapore, Australia, the United Kingdom, United Arab Emirates, India, China, Bangladesh and other major south east Asian cities, signifies that the local aviation industry as a whole is expanding, which will contribute positively to the demand for tourist accommodation in Malaysia.

In addition, Firefly, a community airline in Malaysia also flies to a number of major cities in Indonesia, Thailand and Singapore, which will further help sustain the tourism industry in Malaysia.

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5. **INDUSTRY OVERVIEW (Cont'd)**

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Converging Knowledge Pte Ltd has prepared this report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of the report. We believe that this report represents a true and fair view of the industry within the boundaries and limitations of secondary statistics, primary research and continued industry movements. Our research has been conducted to present a view of the overall industry and may not necessarily reflect the performance of individual companies in this industry. We are not responsible for the decisions and/ or actions of the readers of this report. This report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies.

Thank you.

Yours sincerely,



EDDY TAN KONG YIAM  
Director  
Converging Knowledge Pte Ltd



## 6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

### 6.1.2 Profiles of Promoters / Substantial Shareholders

The profiles of our Promoters / substantial shareholders are as follows:-

#### (i) Sentoria Capital

Sentoria Capital was incorporated in Malaysia under the Act on 22 May 2006 as a private limited company. As at LPD, Sentoria Capital's authorised share capital is RM500,000 comprising 500,000 ordinary shares of RM1.00 each, of which RM500,000 comprising 500,000 ordinary shares of RM1.00 each have been issued and fully paid-up.

The principal activity of Sentoria Capital is investment holding.

The Directors and substantial shareholders of Sentoria Capital and their respective shareholdings in Sentoria Capital as at LPD are as follows:-

Name	<-----Direct----->		<-----Indirect----->	
	No. of Ordinary Shares of RM1.00	% Held	No. of Ordinary Shares of RM1.00	% Held
<b>Directors and Substantial Shareholders</b>				
Dato' Chan Kong San	250,000	50.00	-	-
Dato' Gan Kim Leong	250,000	50.00	-	-

- (ii) **Dato' Chan Kong San**, a Promoter and substantial shareholder, is also the Joint Managing Director of Sentoria. His profile is disclosed in Section 6.2.2 (ii) of this Prospectus.
- (iii) **Dato' Gan Kim Leong**, a Promoter and substantial shareholder, is also the Joint Managing Director of Sentoria. His profile is disclosed in Section 6.2.2 (iii) of this Prospectus.

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## 6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

### 6.1.3 Significant Changes in the Direct or Indirect Shareholding During the Past Three (3) Years

The shareholdings of our Promoters and substantial shareholders for the past three (3) years prior to the date of this Prospectus were as follows:-

Name	As at 30 September 2010 <sup>(1)</sup>			As at 31 July 2011 <sup>(1)</sup>			After Subdivision and Bonus Issue <sup>(2)</sup>		
	Direct No. of Shares	Indirect No. of Shares	%	Direct No. of Shares	Indirect No. of Shares	%	Direct No. of Shares	Indirect No. of Shares	%
Sentoria Capital	-	-	-	1,694,000	-	-	287,980,000	-	84.70
Dato' Chan Kong San	1,000,000	-	50.00	-	(3) 1,694,000	84.70	-	(3) 287,980,000	-
Dato' Gan Kim Leong	1,000,000	-	50.00	-	(3) 1,694,000	84.70	-	(3) 287,980,000	-

**Notes:-**

- (1) Based on the issued and paid-up share capital of 2,000,000 ordinary shares of RM1.00 each  
(2) Based on the issued and paid-up share capital of 340,000,000 Shares after Subdivision and Bonus Issue  
(3) Deemed interest by virtue of their interest in Sentoria Capital pursuant to Section 6A of the Act

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## 6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

### 6.2 DIRECTORS

#### 6.2.1 Particulars and Shareholdings

The details of our Directors and their shareholdings before and after the IPO are as follows:-

Name	Designation	Age	No. of Shares Held Before the IPO <sup>(1)</sup>		No. of Shares Held After the IPO <sup>(2)</sup>		Upon Full Exercise of ESOS Options <sup>(3)</sup>		Indirect (%)	Indirect (%)
			Direct (%)	Indirect (%)	Direct (%)	Indirect (%)	Direct (%)	Indirect (%)		
Aznam Bin Mansor	Independent Non-Executive Chairman	54	-	-	-	-	500,000	-	0.11	-
Dato' Chan Kong San	Joint Managing Director	51	-	<sup>(4)</sup> 287,980,000	84.70	-	4,000,000	<sup>(4)</sup> 247,980,000	0.91	<sup>(4)</sup> 247,980,000
Dato' Gan Kim Leong	Joint Managing Director	50	-	<sup>(4)</sup> 287,980,000	84.70	-	4,000,000	<sup>(4)</sup> 247,980,000	0.91	<sup>(4)</sup> 247,980,000
Thean Yain Peng	Executive Director	44	-	-	-	<sup>(5)</sup> 100,000	<sup>(5)</sup> 1,100,000	-	0.25	-
Lee Chaing Huat	Independent Non-Executive Director	59	-	-	-	-	500,000	-	0.11	-
Chung Wai Choong	Independent Non-Executive Director	52	-	-	-	-	500,000	-	0.11	-

Notes:-

- (1) Based on the issued and paid-up share capital of 340,000,000 Shares after the IPO
- (2) Based on the enlarged issued and paid-up share capital of 400,000,000 Shares after the IPO and on the basis that no ESOS Options have been granted as at the date of Listing
- (3) Based on the enlarged issued and paid-up share capital of 440,000,000 Shares assuming full exercise of maximum ESOS Options to be allocated
- (4) Deemed interest by virtue of their interest in Sentoria Capital pursuant to Section 6A of the Act
- (5) Including her entitlements for the Pink Form Shares

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## 6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

At the first annual general meeting of the Company all the Directors shall retire from office, and at the annual general meeting in every subsequent year one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office provided always that all Directors shall retire from office once in each three (3) years and shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

The Directors shall have power at any time and from time to time, to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing Directors, provided that the total number of Directors shall not at any time exceed the maximum number fixed in accordance with the Articles of Association of the Company. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

### 6.2.2 Profiles of Directors

- (i) **Aznam Bin Mansor**, aged 54, was appointed as our Independent Non-Executive Chairman on 23 May 2011. He graduated with a Bachelor of Arts with Second Class Honours (First Division) degree, having completed a course in Law from the North East London Polytechnic, London, UK in 1983. He was admitted into the Honourable Society of the Lincoln's Inn in 1984 and was called to the Malaysian Bar as an Advocate and Solicitor in 1986. He started his career as an officer in Malayan Banking Berhad. He then joined Skrine & Co., a legal firm in Kuala Lumpur, and held the position of legal assistant for eight (8) years. Presently, he is a partner of Lee Hishammuddin Allen & Gledhill, a legal firm in Kuala Lumpur. He sits on the Board of Knusford Berhad, Mikro MSC Berhad, Benalec Holdings Berhad, Focus Lumber Berhad and several other private limited companies. Having a legal background and experience in holding positions on other board of directors, he is able to contribute to our Group on commercial and legal matters considered by our Board.
- (ii) **Dato' Chan Kong San**, aged 51, our co-founder was appointed as our Director on 15 March 1999 and was redesignated as Joint Managing Director of our Group on 23 May 2011. He graduated with a degree in Civil Engineering from the University of Texas at Arlington, US in 1986 and was elected as a member of The Institution of Engineers, Malaysia in 1993. He worked for various consulting firms in the US for four (4) years prior to returning to Malaysia in 1990, at which time he joined a local consulting firm and subsequently other property development companies before co-founding our Group in 1999. Dato' Chan has been instrumental in building and developing our Group's businesses. His in-depth knowledge and understanding of the property development industry has contributed to our Group in the overall timely and effective implementation, execution and management of our construction projects.

**6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**

- (iii) **Dato' Gan Kim Leong**, aged 50, our co-founder was appointed as our Director on 1 September 1999 and was redesignated as Joint Managing Director on 23 May 2011. He obtained a Bachelor of Engineering in Civil Engineering in 1987 and a Master of Business Administration in 1993 from the University of Malaya. He was elected as a member of The Institution of Engineers, Malaysia in 1993 and registered as a Professional Engineer of The Board of Engineers Malaysia in 1994. Upon graduation, he worked in various positions related to the property development and construction industry such as consulting firms, engineering and construction firms and a property development company. He co-founded our Group in 1999. With his accumulated extensive exposure in the fields of engineering and property development over the past twenty four (24) years, he is a driving force behind our Group's growth and expansion. Under his leadership, our Group has become one of the major property developers in Kuantan. Backed by years of design engineering experience, he has led our Group to operate on a platform of cost effectiveness while maintaining a high standard of quality and workmanship.
- (iv) **Thean Yain Peng**, aged 44, was appointed as our Executive Director on 23 May 2011. She is a fellow member of the Association of Chartered Certified Accountants ("ACCA"), UK and a member and chartered accountant of the Malaysian Institution of Accountants ("MIA"). She began her career as an Accounts Executive with Berjaya Land Berhad in 1993. In 1997, she joined Jasatera Berhad as a Senior Group Accountant and also acted as their company secretary in 1998. She later joined Ho Hup Construction Berhad as Finance and Admin Manager and subsequently spearheaded the development of the business of Perfect Eagle Development Sdn Bhd in 2004. Prior to joining our Group, she was with PJI Holdings Berhad as General Manager – Group Finance & Accounts since 2008. She has over seventeen (17) years of accounting experience in the property development and construction industries. She joined our Group in 2011 as Financial Controller and oversees the overall accounts and finance as well as corporate planning for our Group.
- (v) **Lee Chaing Huat**, aged 59, was appointed as our Independent Non-Executive Director on 23 May 2011. He is a fellow member of the ACCA, UK and a member and Chartered Accountant of the MIA. He started his career as an auditor with one of the top tier accounting firms. In 1980, he joined the financial sector and worked with several banks namely The Chase Manhattan Bank and Kwong Yik Bank Berhad and thereafter RHB Bank Berhad when Kwong Yik Bank Berhad merged with DCB Bank in 1997. In 2004, he joined Hong Leong Credit Berhad as Group Chief Financial Officer and subsequently, Hong Leong Bank Berhad as Chief Operating Officer/Head of Business Banking Division. In December 2005, he started his own management consultancy and training company. He also sits on the Board of Amity Diversified Sdn Bhd, Megasteel Sdn Bhd, MBF Cards (M'sia) Sdn Bhd, MBf Holdings Bhd and TSM Global Berhad. His experience in the financial sector will enable him to contribute positively to our Group from the perspective of corporate finance and planning strategies.

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## 6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

- (vi) **Chung Wai Choong**, aged 52, was appointed as our Independent Non-Executive Director on 13 October 2011. He is currently the Group Head of Corporate Affairs of Hexagon Holdings Berhad, a company listed on the Main Market of Bursa Securities. He is a member of the Malaysian Institute of Certified Public Accountants ("MICPA") and a member of the MIA. He articulated with Hanafiah Raslan & Mohamad (then also practising as Touche Ross & Co.) in 1980 and then joined Coopers & Lybrand, Singapore in 1987. In 1988, he returned to Malaysia to join Mustapha Law/Touche Ross & Co. Upon the merger of Mustapha Law/Touche Ross & Co. and Kassim Chan & Co./Deloitte Haskins & Sells in 1992, he was transferred to the merged firm's management consultancy arm as a senior manager. He commenced public practice in 1993 when he joined Sekhar & Tan as a principal. He retired from public practice in 2003 as a partner and in January 2004, he joined Leweko Resources Berhad ("Leweko"), also listed on the Main Market of Bursa Securities, as its General Manager (Corporate Finance) and subsequently its Executive Director (Corporate Affairs). He was also a member of the Board of Directors of Leweko from 9 February 2004 to 30 October 2010. He has extensive experience in auditing and has also worked on special assignments involving corporate finance, corporate recovery, project management, systems review, corporate restructuring, mergers and acquisitions, and feasibility studies for multinational and large national enterprises. In addition, he also has vast knowledge in corporate secretarial matters and was the joint company secretary of Lingui Developments Berhad, Glenealy Plantations (Malaya) Berhad, Teck Guan Perdana Berhad (all of which are also listed on the Main Market of Bursa Securities) at various times from 1996 to early 2003 and Leweko during his tenure there. He has also previously served as a member of the MICPA's Auditing and Accounting Standards Committee.

### 6.2.3 Directors' Remuneration and Benefits

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for the FYE 2011 and proposed for the FYE 2012 are as follows:-

Name of Directors	FYE 2011	Proposed for FYE 2012
	Remuneration Band (RM)	Remuneration Band (RM)
Aznam Bin Mansor	Up to 50,000	50,000 - 100,000
Dato' Chan Kong San	1,100,000 - 1,150,000	1,250,000 - 1,300,000
Dato' Gan Kim Leong	1,100,000 - 1,150,000	1,250,000 - 1,300,000
Thean Yain Peng	200,000 - 250,000	300,000 - 350,000
Lee Chaing Huat	Up to 50,000	50,000 - 100,000
Chung Wai Choong	-	50,000 - 100,000

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## 6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

### 6.2.4 Principal Directorships in Other Corporations for the Past Five (5) Years and Principal Business Activities Performed Outside Our Group

Save as disclosed below, our Directors do not have any other principal directorship in other corporations for the past five (5) years prior to the LPD or any principal business activities performed outside our Group as at LPD:-

#### (i) Aznam Bin Mansor

Company	Involvement in Business Activities Other than as Director	Principal Activities
<b><u>Present Directorships</u></b>		
Lee Hishammuddin, Allen & Gledhill	Partner	Provision of legal services
Benalec Holdings Berhad	Nil	Investment holding. Its subsidiaries are principally involved in the provision of marine construction services and ancillary services which include vessels chartering, the provision of marine vessel support services, ship repair, ship maintenance, shipbuilding, fabrication and refurbishment activities
Focus Lumber Berhad	Shareholder	Plywood manufacturer
Harmstorf Submarine Systems (M) Sdn Bhd	Shareholder	Dormant
Knusford Berhad	Shareholder	Investment holdings and property investment
Mikro MSC Berhad	Nil	Sales of analogue, digital and computer controlled electronic devices for the purpose of protection, monitoring and programming in an electrical system
Ekovest Holdings Sdn Bhd	Nil	Investment holding
Gen Glamour Sdn Bhd	Shareholder	Investment holding
I & P Group Sdn Bhd	Nil	Housing development
I & P Multi Resources Sdn Bhd	Nil	Investment holding
Kinston Park Sdn Bhd	Nil	Investment holding
Wengcon Engineering Sdn Bhd	Nil	Dormant
Wengcon Equipment Sdn Bhd	Nil	Rental of machinery and equipment, provision of transportation services and trading of building materials
Wengcon Holdings Sdn Bhd	Nil	Reconditioning, sales and rental of heavy machinery

**6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**

Company	Involvement in Business Activities Other than as Director	Principal Activities
Yayasan Tun Hussein Onn	Nil	Social and related community services
Yukong Development (Pte) Ltd	Nil	Housing development
<b><u>Past Directorship</u></b>		
ACCA Malaysia Sdn Bhd	Shareholder	Organising events, programmes, coordinating services
Allen & Gledhill Sdn Bhd	Nil	Dormant
Emerald Spirit Sdn Bhd	Shareholder	Dormant
Lee Hishammuddin Allen & Gledhill Sdn Bhd	Nil	Dormant
Legal Information Services Sdn Bhd	Nil	Legal support services
LPO Malaysia Sdn Bhd	Nil	Dormant
Raya Untung Sdn Bhd*	Nil	Dormant
Simpulan Mutiara Sdn Bhd*	Nil	Dormant

**Note:-**

\* These companies have been dissolved / struck out

**(ii) Dato' Chan Kong San**

Company	Involvement in Business Activities Other than as Director	Principal Activities
<b><u>Present Directorships</u></b>		
Bakat Pintar Sdn Bhd	Nil	Provision of educational programmes
Bukit Gambang Capital Sdn Bhd	Shareholder	Investment holding
Imperia Bakat Sdn Bhd	Shareholder	Investment holding
Imperia Academy of Management Sdn Bhd	Shareholder	Provision of educational programmes
Imperia Academy of Tourism Sdn Bhd	Nil	Provision of hotel management courses and food catering
Imperia Hotels & Resorts Sdn Bhd*	Shareholder	Letting of premises
Imperia Technology Management Sdn Bhd*	Shareholder	Provision of hiring and maintenance services for office equipment

**6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**

Company	Involvement in Business Activities Other than as Director	Principal Activities
Sentoria Capital <b><u>Past Directorship</u></b>	Shareholder	Investment holding
Mantap Selaras	Nil	General and civil engineering contractor

**Note:-**

\* These companies are presently dormant

**(iii) Dato' Gan Kim Leong**

Company	Involvement in Business Activities Other than as Director	Principal Activities
<b><u>Present Directorships</u></b>		
Bakat Pintar Sdn Bhd	Nil	Provision of educational programmes
Bukit Gambang Capital Sdn Bhd	Shareholder	Investment holding
Grace Excel Sdn Bhd*	Nil	Investment holding
Imperia Bakat Sdn Bhd	Shareholder	Investment holding
Imperia Academy of Management Sdn Bhd	Shareholder	Provision of educational programmes
Imperia Academy of Tourism Sdn Bhd	Nil	Provision of hotel management courses and food catering
Imperia Hotels & Resorts Sdn Bhd*	Shareholder	Letting of premises
Imperia Technology Management Sdn Bhd*	Shareholder	Provision of hiring and maintenance services for office equipment
Tabitha Holdings Sdn Bhd	Shareholder	Investment Holding
Sentoria Capital	Shareholder	Investment holding
<b><u>Past Directorship</u></b>		
Mantap Selaras	Nil	General and civil engineering contractor

**Notes:-**

\* These companies are presently dormant

For information purposes, Dato' Gan Kim Leong also has shareholdings in Me-Wong Builders Sdn Bhd which is in the process of having its name struck off from the register of companies under Section 308 of the Act.

**6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**
**(iv) Lee Chaing Huat**

Company	Involvement in Business Activities Other than as Director	Principal Activities
<b><u>Present Directorships</u></b>		
MBf Holdings Berhad	Nil	Investment holding and provision of management services to its group of companies. Its subsidiaries are principally involved in card and payment services, trading and manufacturing, property, plantation and farming and financial services
TSM Global Berhad	Nil	Letting of properties and investment holding. Its subsidiaries are principally involved in manufacture and supply of automotive wiring harnesses, automotive high-tension ignition cables, manufacture of polyvinyl chloride (PVC) wires and cables and manufacture of precision die cast products for hard disk drive
Amity Diversified Sdn Bhd	Shareholder	Provision of training programmes to financial institutions and consultancy services
MBF Cards (M'sia) Sdn Bhd	Nil	Business of issuing credit cards, acquiring merchants and other related services
Megasteel Sdn Bhd	Nil	Manufacturing of hot rolled coils and cold rolled coils
<b><u>Past Directorship</u></b>		
Hing Yiap Group Berhad	Nil	Property and investment holding, textile knitting and the manufacture of garments. Its subsidiaries are principally involved in manufacturing garments and is also involved in retailing apparel, footwear and other related accessories of its in house brands and international labels through consignment outlets or its own retail stores

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**6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**
**(v) Chung Wai Choong**

Company	Involvement in Business Activities Other than as Director	Principal Activities
<b><u>Present Directorships</u></b>		
ATI Technologies (M) Sdn Bhd	Nil	Dormant
<b><u>Past Directorship</u></b>		
Leweko	Nil	Investment holding company and a provider of management and corporate services. Its subsidiaries are principally involved in logs trading, processing and manufacturing of sawn timber, moulded timber, other timber related products and precast concrete products

*For information purposes, Chung Wai Choong also has shareholdings in First Paper Mill Sdn Bhd, Tuck Heng Loong Sdn Bhd and Yuloong Development Sdn Bhd.*

As set out above, our Joint Managing Directors are also directors of their private companies (collectively the "**Other Companies**"). The Other Companies (save for Bakat Pintar Sdn Bhd, Imperia Academy of Management Sdn Bhd and Imperia Academy of Tourism Sdn Bhd) have minimal business activities which do not require much of the Joint Managing Directors' time. Bakat Pintar Sdn Bhd, Imperia Academy of Management Sdn Bhd and Imperia Academy of Tourism Sdn Bhd have a team of experienced personnel who manages the daily operations of the company. Dato' Chan Kong San and Dato' Gan Kim Leong are providing supervisory roles in the management of these companies. Accordingly, our Joint Managing Directors are able to spend a substantial portion of their working hours on affairs of our Group.

Based on the declaration by our Directors, their involvement in the abovementioned businesses do not affect their contribution to our Group or negatively impact their ability to act as our Directors.

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## 6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

### 6.3 BOARD PRACTICES

#### 6.3.1 Directors' Term of Office

Our Board is entrusted with the responsibility for the overall direction, strategy, performance and management of our Group. The number of years that our Directors have served in office and the date of expiration of their respective term of office are as follows:-

Name	Length of Service as Director of Sentoria as at the LPD	Date of Expiration of Current Term of Office
Aznam Bin Mansor	Less than a year <sup>^</sup>	*
Dato' Chan Kong San	12 years	*
Dato' Gan Kim Leong	12 years	*
Thean Yain Peng	Less than a year <sup>^</sup>	*
Lee Chaing Huat	Less than a year <sup>^</sup>	*
Chung Wai Choong	Less than a year <sup>#</sup>	*

#### Notes:-

\* *In accordance with Article 86 of our Articles of Association, an election of Directors shall take place every year. At the first Annual General Meeting of the Company, all the Directors shall retire from office and at the Annual General Meeting in every subsequent year, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office at the Annual General Meeting in every year provided always that all Directors shall retire from office once in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.*

<sup>^</sup> *Appointed to the Board on 23 May 2011.*

<sup>#</sup> *Appointed to the Board on 13 October 2011.*

#### 6.3.2 Audit Committee

The main functions of the Audit Committee fall within the ambit of the Listing Requirements, which include the review of audit plans and audit reports with our auditors, review of the auditors' evaluation of internal controls, program and review of the scope of internal audit procedures, review of the financial statements and nomination of the auditors, and review of related party transactions. The Audit Committee comprises the following individuals:-

Name	Designation	Directorship
Chung Wai Choong	Chairman	Independent Non-Executive Director
Lee Chaing Huat	Member	Independent Non-Executive Director
Aznam Bin Mansor	Member	Independent Non-Executive Chairman

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## 6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

### 6.3.3 Remuneration Committee

The Remuneration Committee is principally responsible for reviewing and recommending to our Board the remuneration package of our Directors. The Remuneration Committee comprises the following members: -

Name	Designation	Directorship
Lee Chaing Huat	Chairman	Independent Non-Executive Director
Aznam Bin Mansor	Member	Independent Non-Executive Chairman
Dato' Chan Kong San	Member	Joint Managing Director

### 6.3.4 Nomination Committee

The Nomination Committee is principally responsible for recommending to our Board the appointment of new Directors of our Company and committee members. The Nomination Committee comprises the following members:-

Name	Designation	Directorship
Lee Chaing Huat	Chairman	Independent Non-Executive Director
Chung Wai Choong	Member	Independent Non-Executive Director
Aznam Bin Mansor	Member	Independent Non-Executive Chairman

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## 6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

## 6.4 KEY MANAGEMENT

## 6.4.1 Particulars and Shareholdings of the Key Management

The details of our key management and their shareholdings before and after the IPO are as follows:-

Name	Designation	Age	No. of Shares Held Before the IPO <sup>(1)</sup>		No. of Shares Held After the IPO <sup>(2)</sup>		Upon Full Exercise of ESOS Options <sup>(3)</sup>		Indirect (%)	Indirect (%)	
			Direct (%)	Indirect (%)	Direct (%)	Indirect (%)	Direct (%)	Indirect (%)			
Yap Meow Hin	General Manager – Planning & Development	49	-	-	(4) 200,000	0.01	-	-	1,200,000	0.27	-
Ngan Yok Ming	General Manager – Projects & Construction	55	-	-	(4) 150,000	0.04	-	-	1,150,000	0.26	-
Yip Lye Ying	Assistant General Manager – Property Sales & Procurement	47	-	-	(4) 100,000	0.03	-	-	1,100,000	0.25	-
Ku Chin We	General Manager – Bukit Gambang Resort	51	-	-	(4) 20,000	0.01	-	-	1,020,000	0.23	-
Ian Chin Shi Hon	Assistant General Manager – Sales & Marketing	39	-	-	(4) 100,000	0.03	-	-	1,100,000	0.23	-
Nikolas Cassimon	Director – Park Operations and Environment	52	-	-	(4) 50,000	0.01	-	-	650,000	0.15	-

Notes:-

(1) Based on the issued and paid-up share capital of 340,000,000 Shares before the IPO.

(2) Based on the enlarged issued and paid-up share capital of 400,000,000 Shares after the IPO and on the basis that no ESOS Options have been granted as at the date of Listing.

(3) Based on the enlarged issued and paid-up share capital of 440,000,000 Shares assuming full exercise of maximum ESOS Options to be allocated

(4) Including their entitlements for the Pink Form Shares.

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**6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)****6.4.2 Profiles of the Key Management**

- (i) **Yap Meow Hin (General Manager – Planning & Development)**, aged 49, graduated with a Bachelor of Engineering (Civil) from National University of Singapore in 1988. He has over twenty (20) years of diverse experience and varied exposure in property management, maintenance, development and construction operations in both local and abroad. He started his career in 1989 as an Estate Officer with Housing Development Board of Singapore. In 1993, he joined Road Builder group of companies as Site Engineer and later promoted as Head of Planning in 2000. He served as General Manager - Projects for Puncak Alam Housing Sdn Bhd in 2003. Prior to joining our Group in 2008, he was the General Manager of A & M Realty Berhad. He is currently responsible for the overall development planning, project implementations, ensuring timely delivery of projects and also heading the Planning, Contracts and Purchasing Departments.
- (ii) **Ngan Yok Ming (General Manager – Projects & Construction)**, aged 55, obtained a certificate in Civil Engineering (Construction) from Kuantan Polytechnic in 1978. He started his career as a technician in 1979 for the North Kelantan Rural road project and the Kuala Terengganu Hospital project. In 1985, he joined Bandar Raya Development Sdn Bhd as Senior Site Supervisor where he was involved in housing projects in Serdang and Kajang area. He joined Sunway Construction Berhad in 1992 and during his nineteen (19)-year working tenure with them, he was promoted to Senior Manager prior to joining our Group. His many years of experience has exposed him to various development and construction activities and was instrumental to overseeing many successful developments around Klang Valley. He joined us in his current position in 2011 and is in charge of all the construction works within our Group.
- (iii) **Yip Lye Ying (Assistant General Manager – Property Sales & Procurement)**, aged 47, completed her London Chamber of Commerce and Industry (“LCCI”) accounting certification in 1985 and started working as a Accounts Assistant in an accounting firm. In 1989, she joined Kumpulan Juruteknik Sdn Bhd as a Secretary cum Accounts Assistant. She then joined and set up an east coast branch office in Kuantan for Electcom Sdn Bhd in 1992 as Branch Head (Sales & Branch Account). Prior to joining our Group, she was the Head of Administration of NKK International Corporation Sdn Bhd. She joined our Group in 2003 as Accounts Executive and has been promoted several times throughout her employment until her current position in 2011. Her main responsibilities include overseeing the overall property sales and collections and in charge of the retail shops, purchasing, receiving and store departments in Bukit Gambang Resort as well as oversee the finance operations in Bukit Gambang Resort.
- (iv) **Ku Chin We (General Manager – Bukit Gambang Resort)**, aged 51, holds certificates in F&B Management and Human Relations / Supervisory Development issued in 1989 and 1990 respectively from America Hotel and Motel Association. Following thereto, he joined Sheraton Utama Hotel in Brunei as Food & Beverage Manager. His experience in Malaysia, Brunei and China included working with well known brands such as Bank & Sakura Hotel in Kunming, China; Star Cruises in Singapore, Hong Kong and Taiwan; The Legend Resort Cherating, RIHGA Royal Hotel Sarawak, amongst others. Having worked in many renowned hotels and resorts in both local and abroad, he brings with him over twenty three (23) years of experience in F&B operations, marketing initiatives and promotions as well as hotel management. He took up his current position in our Group in 2010 and is primarily responsible to oversee all daily operations of Bukit Gambang Resort including marketing initiatives and promotion activities.

## 6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

- (v) **Ian Chin Shi Hon (Assistant General Manager – Sales & Marketing)**, aged 39, joined our Group in 2010. After secondary school, he started his career as a Hotel Trainee with Novotel Hotel, Penang in 1990. In 1993, he joined Santubong Kuching Resort and worked as an Acting Front Office Manager. Between 1997 to 2005, he worked as a Front Office Manager in several prominent resorts and hotels in Malaysia and by 2005, he was promoted to an Assistant Director of Sales & Marketing when he was attached with Swiss Garden Resort & Spa, Damai Laut. In 2007, he joined Pulau Springs Resort as a Group Director of Sales & Marketing, overseeing several of their hotel chains in Pulau Springs. He has over twenty (20) years of working experience primarily in the hospitality industry. His main responsibilities in our Group are to manage the overall sales and marketing activities of Bukit Gambang Resort, which includes formulating the marketing strategies for the business of Bukit Gambang Resort.
- (vi) **Nikolas Jules Cassimon (Director – Park Operation and Environment)**, aged 52, started his career as a Stage Master in Hotel Mirage, Las Vegas, US. He held various key positions throughout his vast work experience spanning over twenty-six (26) years around the globe such as Training Manager, Sports Event and Entertainment Director, Operations Manager, Chief Security, Project Manager and Animal Trainer. Prior to joining our Group, he was attached to a ranching company, Tropical Camel Rangers Sdn Bhd as Director of Wildlife Education & Training. He joined our Group in 2010. His primary responsibilities include developing policies and procedures and advising on park operational and environmental matters as well as directly responsible for the development and operation of Bukit Gambang Safari Park project.

### 6.4.3 Involvement of Key Management in other Businesses / Corporations

For the involvement of our Directors in other businesses / corporations, please refer to Section 6.2.4 of this Prospectus.

As at the LPD, none of our key management is involved in other businesses or corporations.

## 6.5 DECLARATION OF PROMOTERS, DIRECTORS AND KEY MANAGEMENT

None of our Promoters, Directors and key management is or has been involved in any of the following events (whether in or outside Malaysia):-

- (i) A petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which he was a partner or any corporation of which he was a Director or key personnel;
- (ii) Disqualified from acting as a Director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) Charged and / or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (iv) Any judgment was entered against such person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or

## 6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

- (v) The subject of any order, judgment or ruling of any court, government, or regulatory authority or body temporarily enjoining him from engaging in any type of business practice or activity.

### 6.6 FAMILY RELATIONSHIPS

There are no family relationships / association between our Promoters, substantial shareholders, Directors and key management.

### 6.7 PROMOTERS, DIRECTORS AND / OR SUBSTANTIAL SHAREHOLDERS' BENEFIT

Save for remuneration, material benefits-in-kind and dividend paid or payable by our Group to our Promoters, Directors and substantial shareholders, there have been no amounts and benefits that have been or are intended to be paid or given to our Promoters, Directors and/or substantial shareholders within the two (2) years preceding the date of this Prospectus.

### 6.8 EXISTING OR PROPOSED SERVICE AGREEMENTS

As at the LPD, there are no existing or proposed service agreements (contracts for service) entered into by our Group or any company within our Group, with our Directors or key management, other than those which are expiring or determinable by the employing company without payment of compensation (other than statutory compensation) within one (1) year.

### 6.9 EMPLOYEES

As at LPD, we have a total workforce of 755 employees, which consists of permanent and contractual employees. The breakdown of our employees is as follows:-

Category of Employees	As at 30.09.2008	As at 30.09.2009	As at 30.09.2010	As at LPD
Management and professionals	15	25	30	43
Technical and Supervisory	5	57	85	138
Sales and Marketing	10	20	27	32
Construction workers*	209	179	149	144
Clerical and administrative	77	74	113	86
General workers	-	259	300	312
<b>Total</b>	<b>316</b>	<b>614</b>	<b>704</b>	<b>755</b>

Note:-

- \* Construction workers are employed under contract basis

**6. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)**

In keeping a lean and efficient staff force, we employ both full-time and part-time staff. Part-time staff are hired to deal with peak seasons such as festive periods and schools holidays. Our entire workforce is located in Malaysia.

The gradual increase in the number of employees during the past three (3) years up to the LPD was mainly as the result of an increase in staff, in line with our business expansion during these financial years.

None of our employees belong to any labour union. The relationship and cooperation between our management and our employees have always been good and this is expected to continue. As at the LPD, there has been no major industrial dispute pertaining to our employees.

**Training and development**

Our management views our employees as key assets that play a pivotal role in our continuous growth and recognise the importance of retaining quality employees. It is our policy to develop and train employees to improve their skills set and professionalism, in order to enhance productivity and operational efficiencies. As training and development is a continuing process, we encourage our employees to continually increase their skills and knowledge through hands-on training.

The management of our Group has, from time to time, arranged internal and external courses to train our employees. The on-going training and development programmes cover technical and functional courses for our employees. We also observe the safety and precaution practices. Our qualified lifeguards at Bukit Gambang Water Park are trained to render first aid treatment if an emergency situation arises.

**Management Succession Plan**

The management of our Group recognises the importance of succession planning for business continuity, and maintaining the level of our competencies and competitiveness in the industry. In view thereof, our Group has taken the appropriate steps to ensure the implementation of succession planning in every department. We encourage senior management to groom the lower and middle management staff, who will be groomed to gradually assume higher responsibilities. In addition, the middle management are continually involved in various operations of the company, and actively participate in the discussion for decision-making to ensure better understanding of the operations and to equip themselves with the necessary knowledge and skills to succeed in senior management roles. This forms part of our employees' career development plan.

The Joint Managing Directors are involved in the process of reviewing the potential successor's readiness, and in identifying key competencies and requirements for managerial and key senior positions for succession planning. Appropriate job functions and candidate profiles are reviewed and matched for management positions, in line with our business goals, strategies and culture.

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**7. APPROVALS AND CONDITIONS****7.1 APPROVALS AND CONDITIONS**

The listing of our Company on the Main Market of Bursa Securities was approved by the relevant authorities as follows:-

Authority	Date
SC	6 October 2011
MITI	12 October 2011
Bursa Securities	23 November 2011

**7.1.1 SC's Approval**

The conditions imposed by the SC and the status of compliance with these conditions are as follows:-

Conditions Imposed by the SC via SC's Letter Dated 6 October 2011	Status of Compliance
(i) In the event that Sentoria / MITI is unable to allocate all the 40,000,000 shares reserved for Bumiputera investors approved by MITI, the unsubscribed shares must be offered to the Bumiputera public investors via balloting.	Noted and to be complied.
(ii) AmInvestment / Sentoria must fully comply with the relevant requirements under the SC Guidelines pertaining to the implementation of the proposals.	Noted and to be complied.

The SC noted that the equity structure of our Company would change arising from the implementation of the Listing as follows:-

Category	Before Listing (%)	After Listing (%)
Bumiputera		
- Existing Bumiputera shareholders	4.90	4.17
- Public shareholders to be nominated and approved by MITI	-	10.00
- Public shareholders via public balloting	-	2.50
<b>Total Bumiputera</b>	<b>4.90</b>	<b>16.67</b>
Non-Bumiputera	95.10	83.33
Foreign	-	-
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

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**7. APPROVALS AND CONDITIONS (Cont'd)****7.1.2 Bursa Securities' approvals**

Bursa Securities had via its letter dated 23 November 2011, approved the following:-

- (i) Admission to the Official List and the listing and quotation of the entire issued and paid-up share capital of Sentoria of RM80,000,000 comprising 400,000,000 Shares in the "Properties" sector of the Main Market of Bursa Securities; and
- (ii) Listing of such number of additional new Shares, representing up to 10% of the issued and paid-up ordinary share capital of Sentoria to be issued pursuant to the exercise of option under the ESOS.

The conditions imposed by Bursa Securities and the status of compliance with the conditions are as follows:-

Conditions imposed by Bursa Securities	Status of compliance
(i) Make the relevant announcement pursuant to paragraphs 8.1 and 8.2 of Practice Note 21 of the Listing Requirements; and	Will be complied.
(ii) Furnish the Bursa Securities a copy of the schedule of distribution showing compliance to the share spread requirements based on the entire issued and paid-up share capital of Sentoria on the first day of listing.	Will be complied.
In relation to the approval of the listing of up to 10% of the issued and paid-up ordinary share capital of Sentoria to be issued pursuant to the ESOS, it is subject to the following:-	
(i) AmInvestment Bank is required to submit a confirmation to Bursa Securities of full compliance of the ESOS pursuant to paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation; and	Will be complied. At this juncture, the Company intends to effect the ESOS on the Listing Date, which is tentatively scheduled for 23 February 2012.
(ii) Sentoria is required to furnish Bursa Securities on a quarterly basis a summary of the total number of ESOS shares listed as at the end of each quarter together with a detailed computation of listing fees payable.	Will be complied.

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**7. APPROVALS AND CONDITIONS (Cont'd)****7.2 MORATORIUM ON SHARES**

In accordance with Paragraph 5.29 of the SC Guidelines, a moratorium shall be placed on the sale of the entire 247,980,000 Shares held by our Promoters, representing 62.00% of the enlarged issued and paid-up capital of Sentoria and all Sentoria Shares issued arising from the exercise of ESOS Options held at the date of listing for six (6) months from the date of Admission, as follows:-

Name	No. of Shares Held Upon Admission <sup>(1)</sup>			
	Direct	(%)	Indirect	(%)
Sentoria Capital	247,980,000	62.00	-	-
Dato' Chan Kong San	-	-	<sup>(2)</sup> 247,980,000	62.00
Dato' Gan Kim Leong	-	-	<sup>(2)</sup> 247,980,000	62.00
Total	<b>247,980,000</b>	<b>62.00</b>		

**Notes:-**

- (1) *Based on the enlarged issued and paid-up share capital of 400,000,000 Shares as at the date of listing and no ESOS Options have been granted as at the date of listing*
- (2) *Deemed interest by virtue of their interest in Sentoria Capital pursuant to Section 6A of the Act*

The Promoters of Sentoria will not be allowed to sell, transfer, or assign their entire shareholdings in the enlarged issued and paid-up share capital of Sentoria and all Sentoria Shares issued arising from the exercise of ESOS Options held at the date of listing for six (6) months from the date of listing on Bursa Securities.

The moratorium is specifically endorsed on the share certificates representing the shareholdings of our Promoters to ensure that our registrars do not register any transfer not in compliance with the moratorium restrictions. In compliance with the restrictions, Bursa Depository will, on our registrars' instructions in the prescribed forms, ensure that trading of these shares is not permitted in the moratorium period.

The ultimate shareholders of Sentoria Capital (namely Dato' Chan Kong San and Dato' Gan Kim Leong), have furnished a letter of undertaking prior to the listing to the SC that they will not sell, transfer or assign any of their entire shareholdings in Sentoria Capital for six (6) months from the date of listing on Bursa Securities.

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## 8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST

### 8.1 EXISTING AND PROPOSED RPT AND CONFLICT OF INTEREST

Save as disclosed below, for the past four (4) FYEs up to 30 September 2011 and FPE 2011, we do not have any other existing and/or proposed RPTs or other subsisting contracts or arrangement entered into which involved the interest, direct or indirect, of our Directors, substantial shareholders and/or key management and/or persons connected to them as defined under Section 122A of the Act:-

#### 8.1.1 Recurrent RPT

Save as disclosed below, for the past four (4) FYEs up to 30 September 2011 and FPE 2011, our Group does not have any existing and/or proposed recurrent RPTs entered into by our Group which involved the interest, direct or indirect, of our Directors, substantial shareholders and/or key management and/or persons connected to them as defined under Section 122A of the Act which are necessary for the day to day operations of our Group.

Related Party	Interested Promoter / Director / Substantial Shareholder	Nature of Transaction	Nature of Interest	Transaction Value (RM'000)					Forecast (RM'000)
				FYE			FPE	FYE	FYE
				2008	2009	2010	2011	2011	2012*
Sentoria Capital	Dato' Chan Kong San and Dato' Gan Kim Leong	Rental of Kuantan office by Sentoria Harta from Sentoria Capital ( <i>Note a</i> )	Dato' Chan Kong San and Dato' Gan Kim Leong are substantial shareholders and directors of Sentoria Capital	(48)	(48)	(48)	(40)	(48)	(48)
Bukit Gambang Capital Sdn Bhd ( <i>formerly known as Caribbean Bay Resort Sdn Bhd</i> ) ("BGCSB")	Dato' Chan Kong San and Dato' Gan Kim Leong	Rental by Sentoria Harta from BGCSB of fourteen (14) units Caribbean Bay resort suites ( <i>Note b</i> )	Dato' Chan Kong San and Dato' Gan Kim Leong are substantial shareholders and directors of BGCSB	-	-	(147)	(164)	(197)	(197)
Ho Li	Dato' Gan Kim Leong	Rental by Sentoria Harta from Ho Li of one (1) unit in Caribbean Bay resort suite ( <i>Note c</i> )	Ho Li is a sister-in-law of Dato' Gan Kim Leong	-	-	(9)	(10)	(12)	(12)
Thong Siew Fong	Dato' Gan Kim Leong	Rental by Sentoria Harta from Thong Siew Fong of one (1) unit in Caribbean Bay resort suite ( <i>Note d</i> )	Thong Siew Fong is a sister-in-law of Dato' Gan Kim Leong	-	-	(9)	(10)	(12)	(12)
Gan Siew May and Chia Tiam Chor	Dato' Gan Kim Leong	Rental by Sentoria Harta from Gan Siew May and Chia Tiam Chor of one (1) unit in Caribbean Bay resort suite ( <i>Note e</i> )	Gan Siew May and Chia Tiam Chor is a sister and brother-in-law respectively of Dato' Gan Kim Leong	-	-	(9)	(10)	(12)	(12)
Gan Siew Bee and Wong Tuck Chuin	Dato' Gan Kim Leong	Rental by Sentoria Harta from Gan Siew Bee and Wong Tuck Chuin of one (1) unit in Caribbean Bay resort suite ( <i>Note f</i> )	Gan Siew Bee and Wong Tuck Chuin is a sister and brother-in-law respectively of Dato' Gan Kim Leong	-	-	(9)	(10)	(12)	(12)

## 8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)

Related Party	Interested Promoter / Director / Substantial Shareholder	Nature of Transaction	Nature of Interest	Transaction Value (RM'000)					Forecast (RM'000)
				FYE			FPE	FYE	FYE
				2008	2009	2010	2011	2011	2012*
Imperia Academy of Tourism Sdn Bhd ("IATSB")	Dato' Chan Kong San and Dato' Gan Kim Leong	Rental by IATSB from Sentoria Themeparks of the premises situated at Ground Floor of Sempurna Resort (Note g)	Dato' Chan Kong San and Dato' Gan Kim Leong are substantial shareholders and directors of IATSB.	-	-	-	50	60	-
HGH Property	Dato' Gan Kim Leong	Agency fees paid by Sentoria Harta to HGH Property for sale of Arabian Bay resort suites (Note h)	Gan Hock Hoe who is a director of HGH Property is a brother of Dato' Gan Kim Leong	-	-	(24)	(21)	(21)	-

Notes:-

- \* The transaction value for FYE 2012 is an estimated value; hence the actual transaction value may differ from the estimated value provided.

The details of the above recurrent RPTs are as follows:-

- (a) Sentoria Capital had on 1 July 2007 entered into a tenancy agreement with Sentoria Harta whereby Sentoria Capital agreed to let and Sentoria Harta agreed to accept a tenancy of a three-storey shop office bearing the postal address of B-2, Jalan IM 3/10, BIM Point, Bandar Indera Mahkota, 25300 Kuantan, Pahang Darul Makmur, for the purposes of marketing sales office, for a period of two (2) years commencing on 1 July 2007 and expiring on 30 June 2009, at a monthly rental of RM4,000, with an option to renew for another two (2) from the expiration of the term, upon the terms and subject to the conditions stated in the tenancy agreement. The tenancy expired on 30 June 2009 and the parties had on 1 July 2009 entered into a new tenancy agreement whereby Sentoria Capital agreed to let and Sentoria Harta agreed to accept a tenancy for the purposes of office use, for a period of three (3) years commencing on 1 July 2009 and expiring on 30 June 2012, at a monthly rental of RM4,000, with an option to renew for another three (3) years from the expiration of the term, upon the terms and subject to the conditions stated in the tenancy agreement.
- (b) BGCSB had on 1 January 2010 entered into a tenancy agreement with Sentoria Harta whereby BGCSB agreed to let and Sentoria Harta agreed to accept a tenancy of fourteen (14) units of resort suites known as N3-01-3A, N3-01-05, N3-01-06, N3-01-07, N3-02-3A, N3-02-05, N3-02-06, N3-02-07, N3-02-08, N3-02-9, N3-02-10, N3-03-08, N3-03-09 and N3-3A-09 in Block North Wing 3, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur, measuring approximately 810 sq ft (for the 13 units of Family Suites) and 470 sq ft (for the 1 unit of Studio Suite) in area respectively, for the purposes of operating resort suites, at a monthly rental of RM1,200 for each of the Family Suites and RM780 for the Studio Suite for a period of three (3) years commencing on 1 January 2010 and expiring on 31 December 2012, with an option to renew the tenancy period for another two (2) years from the expiration of the first term, upon the terms and subject to the conditions stated in the tenancy agreement. For information purposes, there are no free stays for BGCSB.
- (c) Ho Li had on 12 November 2007 entered into a tenancy agreement with Sentoria Harta whereby Ho Li agreed to let and Sentoria Harta agreed to accept tenancy of one (1) unit of resort suite known as N2-01-03 in Block North Wing 2, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur and measuring approximately 810 sq ft, for the purposes of operating a resort suite, at a monthly rental of RM1,000 for a period of three (3) years commencing three (3) months from the date of vacant possession, with an option to renew the tenancy period for another two (2) years from the expiration of the first term, upon the terms and subject to the conditions stated in the tenancy agreement.

**8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)**

- (d) *Thong Siew Fong on 3 October 2007 entered into a tenancy agreement with Sentoria Harta whereby Thong Siew Fong agreed to let and Sentoria Harta agreed to accept tenancy of one (1) unit of resort suite known as N2-01-06 in Block North Wing 2, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur and measuring approximately 810 sq ft, for the purposes of operating a resort suite, at a monthly rental of RM1,000 for a period of three (3) years commencing three (3) months from the date of vacant possession, with an option to renew the tenancy period for another two (2) years from the expiration of the first term, upon the terms and subject to the conditions stated in the tenancy agreement.*
- (e) *Gan Siew May and Chia Tiam Chor had on 27 November 2007 entered into a tenancy agreement with Sentoria Harta whereby Gan Siew May and Chia Tiam Chor agreed to let and Sentoria Harta agreed to accept tenancy of one (1) unit of resort suite known N2-01-3A in Block North Wing 2, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur and measuring approximately 810 sq ft, for the purposes of operating a resort suite, at a monthly rental of RM1,000 for a period of three (3) years commencing three (3) months from the date of vacant possession, with an option to renew the tenancy period for another two (2) years from the expiration of the first term, upon the terms and subject to the conditions stated in the tenancy agreement.*
- (f) *Gan Siew Bee and Wong Tuck Chuin had on 28 December 2007 entered into a tenancy agreement with Sentoria Harta whereby Gan Siew Bee and Wong Tuck Chuin agreed to let and Sentoria Harta agreed to accept a tenancy of one (1) unit of resort suite known N2-01-05 in Block North Wing 2, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur and measuring approximately 810 sq ft, for the purposes of operating a resort suite, at a monthly rental of RM1,000 for a period of three (3) months commencing three (3) months from the date of vacant possession, with an option to renew the tenancy period for another two (2) years from the expiration of the first term, upon the terms and subject to the conditions stated in the tenancy agreement.*
- (g) *Sentoria Themeparks had on 1 October 2010 entered into a tenancy agreement with IATSB whereby Sentoria Themeparks agreed to let and IATSB agreed to accept the tenancy of the premises situated at Sempurna Resort (Ground Floor), Jalan TIS 1, Taman Indera Sempurna, 25150 Kuantan, Pahang Darul Makmur, for the purposes of office use, at a monthly rental of RM5,000, for a period of one (1) year commencing on 1 October 2010 and expiring on 30 September 2011, with an option to renew annually based on mutual agreement, upon the terms and subject to the conditions stated in the tenancy 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. Simultaneously, Sempurna Resort Kuantan had on 15 October 2011 entered into a new tenancy agreement with IATSB whereby Sempurna Resort Kuantan agreed to let and IATSB agreed to accept the tenancy of the premises situated at Sempurna Resort (Ground Floor), Jalan TIS 1, Taman Indera Sempurna, 25150 Kuantan, Pahang Darul Makmur, for the purposes of office use, at a monthly rental of RM5,000, for a period of two (2) years commencing on 15 October 2011 and expiring on 14 October 2013, with an option to renew for another two (2) years based on mutual agreement, upon the terms and subject to the conditions stated in the tenancy agreement.*
- (h) *Sentoria Harta had on 3 January 2010 engaged HGH Property as its marketing agent for the sale of Arabian Bay resort suites, upon the terms and subject to the conditions as stipulated in the said letter of appointment for a period of six months commencing from the date of the said letter. The appointment was extended from 3 July 2010 to 3 January 2012 via a letter dated 30 June 2010 issued by Sentoria Harta and duly accepted by HGH Property.*

Our Directors are of the view that the above recurrent RPTs were conducted on arm's length basis and are carried out in the ordinary course of business and on competitive commercial terms not more favourable to the related parties than those generally available to the public and were not to the detriment of our minority shareholders.

We anticipate that our Group would, in the ordinary course of business, continue to enter into certain transactions as disclosed above with the related parties as the transactions are necessary for our day-to-day operations. They are recurring transactions which are likely to occur with some degree of frequency and arise at any time and from time to time.

The Audit Committee will supervise the terms of RPTs, and the Directors of our Company will report recurrent RPTs, if any, annually in our Company's annual report.

**8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)**

Kindly refer to Section 8.1.3 of this Prospectus for further details in relation to the shareholders' mandate for RPTs.

**8.1.2 Non-Recurrent RPT**

Save as disclosed below, for the past three (3) FYEs up to 30 September 2010 and FPE 2011, our Group does not have any other existing and/or proposed non-recurrent RPTs entered into by our Group which involved the interest, direct or indirect, of our Directors, substantial shareholders and/or key management and/or persons connected to them as defined under Section 122A of the Act:-

## i) Trade-in-Nature

Related Party	Interested Promoter / Director / Substantial Shareholder	Nature of Transaction	Nature of Interest	Transaction Value (RM'000)			
				FYE			FPE
				2008	2009	2010	2011
BGCSB	Dato' Chan Kong San and Dato' Gan Kim Leong	Purchase of properties:	Dato' Chan Kong San and Dato' Gan Kim Leong are substantial shareholders and directors of BGCSB.				
		Progress billing for purchase of fourteen (14) units of Caribbean Bay resort suites from Sentoria Harta (Note a)		-	1,881	209	-
		Progress billing for purchase of four (4) units of double-storey shop offices in Desa Hijauan from Sentoria Alam (Note b)		-	1,407	156	-
		Progress billing for purchase of thirty-six (36) units of Arabian Bay resort suites from Sentoria Harta (Note c)		-	-	-	2,151
Ho Li	Dato' Gan Kim Leong	Purchase of property:	Ho Li is a sister-in-law of Dato' Gan Kim Leong				
		Progress billing for purchase of one (1) unit of Caribbean Bay resort suite from Sentoria Harta (Note e)		57	89	16	-
Thong Siew Fong	Dato' Gan Kim Leong	Purchase of property:	Thong Siew Fong is a sister-in-law of Dato' Gan Kim Leong				
		Progress billing for purchase of one (1) unit of Caribbean Bay resort suite from Sentoria Harta (Note f)		57	89	16	-
Gan Siew May and Chia Tiam Chor	Dato' Gan Kim Leong	Purchase of property:	Gan Siew May and Chia Tiam Chor is a sister and brother-in-law respectively of Dato' Gan Kim Leong				
		Progress billing for purchase of one (1) unit of Caribbean Bay resort suite from Sentoria Harta (Note g)		57	89	16	-

## 8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)

Related Party	Interested Promoter / Director / Substantial Shareholder	Nature of Transaction	Nature of Interest	Transaction Value (RM'000)			
				FYE			FPE
				2008	2009	2010	2011
Gan Siew Bee and Wong Tuck Chuin	Dato' Gan Kim Leong	Purchase of property: Progress billing for purchase of one (1) unit of Caribbean Bay resort suite from Sentoria Harta (Note h)	Gan Siew Bee and Wong Tuck Chuin is a sister and brother-in-law respectively of Dato' Gan Kim Leong	57	89	16	-
Mantap Selaras	Dato' Chan Kong San and Dato' Gan Kim Leong	Construction services: Progress billing for Sempurna Resort construction services provided to Sentoria Harta (Note i)  Progress billing for main water supply at Bukit Gambang Resort to Sentoria Themeparks (Note j)  Progress billing for elevated reservoir construction services provided to Sentoria Harta (Note k)  Progress billing for road works and related infrastructure works and construction services provided to Sentoria Themeparks (Note l)  Progress billing for water park and related works and construction services provided to Sentoria Themeparks (Note m)	Dato' Chan Kong San and Dato' Gan Kim Leong were substantial shareholders and directors of Mantap Selaras.	(4,239)	(3,261)	-	(600)
				-	-	-	(3,800)
				(2,780)	(1,020)	-	-
				-	-	-	(6,800)
				-	(19,954)	-	(17,847)
Hartanah Goldhill Sdn Bhd	Dato' Gan Kim Leong	Agency fees paid by Sentoria Harta to Hartanah Goldhill Sdn Bhd for sale of Caribbean Bay resort suites (Note n)	Gan Hock Hoe who is a director of Hartanah Goldhill Sdn Bhd is a brother of Dato' Gan Kim Leong	(23)	(3)	-	-

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## 8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)

## ii) Non-Trade in Nature

Related Party	Interested Promoter / Director / Substantial Shareholder	Nature of Transaction	Nature of Interest	Transaction Value (RM'000)			
				FYE			FPE
				2008	2009	2010	2011
Dato' Chan Kong San	Dato' Chan Kong San	Non-trade advances granted by Dato' Chan Kong San to Sentoria (Note o)	-	383	540	509	-
Dato' Gan Kim Leong	Dato' Gan Kim Leong	Non-trade advances granted by Dato' Gan Kim Leong to Sentoria (Note p)	-	374	623	517	-
Dato' Chan Kong San	Dato' Chan Kong San	Disposal of a parcel of leasehold residential land held under HSD 109643 PT 44221, Bandar Cheras, Daerah Ulu Langat, Negeri Selangor Darul Ehsan (Note q)	-	-	-	-	478
IATSB	Dato' Chan Kong San and Dato' Gan Kim Leong	Provision of catering services to Sentoria Harta	Dato' Chan Kong San and Dato' Gan Kim Leong are substantial shareholders and directors of IATSB.	(20)	(40)	-	-
Imperia Hotels & Resorts Sdn Bhd ("IHRSB")	Dato' Chan Kong San and Dato' Gan Kim Leong	Rental of Sempurna Resort by IHRSB from Sentoria Harta (Note r)	Dato' Chan Kong San and Dato' Gan Kim Leong are substantial shareholders and directors of IHRSB.	-	700	60	(60)
		Rental of Sempurna Resort by Sentoria Themeparks from IHRSB (Note s)		-	(560)	-	-
Imperia Technology Management Sdn Bhd ("ITMSB")	Dato' Chan Kong San and Dato' Gan Kim Leong	Rental and maintenance of computers to Sentoria Alam (Note t)	Dato' Chan Kong San and Dato' Gan Kim Leong are substantial shareholders and directors of ITMSB.	(2)	(3)	(1)	-
		Rental and maintenance of computers to Sentoria Bina (Note t)		(4)	(6)	(5)	-
		Rental and maintenance of computers to Sentoria (Note t)		(10)	(20)	(35)	-
		Rental and maintenance of computers to Sentoria Harta (Note t)		(39)	(14)	(7)	-
		Rental and maintenance of computers to Sentoria Themeparks (Note t)		-	(61)	(81)	-



## 8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)

Related Party	Interested Promoter / Director / Substantial Shareholder	Nature of Transaction	Nature of Interest	Transaction Value (RM'000)			
				FYE			FPE
				2008	2009	2010	2011
Mantap Selaras	Dato' Chan Kong San and Dato' Gan Kim Leong	Rental by Sentoria to Mantap Selaras of office space (Note u)	Dato' Chan Kong San and Dato' Gan Kim Leong were substantial shareholders and directors of Mantap Selaras.	27	-	-	-

**Notes:-**

The details of the above non-recurrent RPTs are as follows:-

- (a) Sentoria Harta and Sentoria Alfa had on 12 December 2008 entered into fourteen (14) sale and purchase agreements with BGCSB whereby Sentoria Harta and Sentoria Alfa agreed to sell and BGCSB agreed to purchase fourteen (14) units of resort suites known as N3-01-3A, N3-01-05, N3-01-06, N3-01-07, N3-02-3A, N3-02-05, N3-02-06, N3-02-07, N3-02-08, N3-02-9, N3-02-10, N3-03-08, N3-03-09 and N3-3A-09 in Block North Wing 3, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur, measuring approximately 810 sq ft (for the 13 units of Family Suites) and 470 sq ft (for the 1 unit of Studio Suite) in area respectively for a total purchase consideration of RM2,090,200, upon the terms and subject to the conditions of the sale and purchase agreements.
- (b) Sentoria Alam and Sentoria Alfa had on 21 April 2009 entered into four (4) sale and purchase agreements with BGCSB whereby Sentoria Alam and Sentoria Alfa agreed to sell and BGCSB agreed to purchase four (4) units of double-storey shop offices erected on Sublot No. 690 to 693, held under HSD 30041 PT 2222, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur, measuring approximately 243 sq metres for Sublot No. 690 and 143 sq metres for the remaining lots, for a total purchase consideration of RM1,563,800, upon the terms and subject to the conditions of the sale and purchase agreements.
- (c) Sentoria Harta and Sentoria Alfa had on 12 October 2010 entered into two (2) sale and purchase agreements with BGCSB whereby Sentoria Harta and Sentoria Alfa Agreed to sell and BGCSB agreed to purchase thirty-six (36) units of resort suites known as C-09-01, C-09-02, C-09-03, C-09-03A, C-09-05, C-09-06, C-09-07, C-09-08, C-09-09, C-09-10, C-09-11, C-09-12, C-09-13, C-09-13A, C-09-15, C-09-16, C-09-17, C-09-18, C-09-19, C-09-20, C-09-21, C-09-22, C-09-23, C-09-23A, C-08-01, C-08-03, C-08-05, C-08-07, C-08-09, C-08-11, C-08-13, C-08-15, C-08-17, C-08-19, C-08-21 and C-08-23, all within Block C, Arabian Bay Resort, located on the land held under HSD 30042 PT 2223, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur, for a total purchase consideration of RM4,780,800, upon the terms and subject to the conditions of the sale and purchase agreements.
- (d) Sentoria Harta and H.A. Properties Sdn Bhd had on 17 March 2011 entered into two (2) sale and purchase agreements with BGCSB whereby Sentoria Harta and H.A. Properties Sdn Bhd agreed to sell and BGCSB agreed to purchase two (2) double storey shop-office buildings to be erected on Sublot No. 2023 and Sublot No. 2024, both held under HSD 28416 PT 91740; Mukim of Kuala Kuantan, District of Kuantan, State of Pahang Darul Makmur, for a total purchase consideration of RM837,600.00, upon the terms and subject to the conditions of the sale and purchase agreements.
- (e) Sentoria Harta and Sentoria Alfa had on 28 September 2007 entered into a sale and purchase agreement with Ho Li whereby Sentoria Harta and Sentoria Alfa agreed to sell and Ho Li agreed to purchase one (1) unit of resort suite known as N2-01-03 measuring approximately 810 sq feet in Block North Wing 2, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur for a purchase consideration of RM161,800, upon the terms and subject to the conditions of the sale and purchase agreement.
- (f) Sentoria Harta and Sentoria Alfa had on 28 September 2007 entered into a sale and purchase agreement with Thong Siew Fong whereby Sentoria Harta and Sentoria Alfa agreed to sell and Thong Siew Fong agreed to purchase one (1) unit of resort suite known as N2-01-06 measuring approximately 810 sq feet in Block North Wing 2, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur for a purchase consideration of RM161,800, upon the terms and subject to the conditions of the sale and purchase agreement.

**8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)**

- (g) *Sentoria Harta and Sentoria Alfa had on 6 November 2007 entered into a sale and purchase agreement with Gan Siew May and Chia Tiam Chor whereby Sentoria Harta and Sentoria Alfa agreed to sell and Gan Siew May and Chia Tiam Chor agreed to purchase one (1) unit of resort suite known as N2-01-3A measuring approximately 810 sq feet in Block North Wing 2, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur for a purchase consideration of RM161,800, upon the terms and subject to the conditions of the sale and purchase agreement.*
- (h) *Sentoria Harta and Sentoria Alfa had on 27 December 2007 entered into a sale and purchase agreement with Gan Siew Bee and Wong Tuck Chuin whereby Sentoria Harta and Sentoria Alfa agreed to sell and Gan Siew Bee and Wong Tuck Chuin agreed to purchase one (1) unit of resort suite known as N2-01-05 in Block North Wing 2, Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur, measuring approximately 810 sq feet for a purchase consideration of RM161,800, upon the terms and subject to the conditions of the sale and purchase agreement.*
- (i) *Sentoria Harta had via its letter of award dated 27 June 2008 engaged Mantap Selaras as its main contractor to construct the Sempurna Resort clubhouse, including construction of club facilities, swimming pool, hotel rooms and training room, on the land located along KM 13 & 14, Jalan Kuantan Pekan, Mukim Kuala Kuantan and Mukim Penor, Daerah Kuantan, Negeri Pahang Darul Makmur, for a contract sum of RM7.5 million for the contract period from 1 May 2008 to 31 December 2008. The contract sum was subsequently increase by another RM600,000 as variation order works via Sentoria Harta's letter dated 27 June 2009. The contract period was extended from 1 January 2009 to 31 March 2011 via a letter dated 31 December 2008 issued by Sentoria Harta and duly accepted by Mantap Selaras.*
- (j) *Sentoria Themeparks had via its letter of award dated 8 April 2009 engaged Mantap Selaras as its main contractor to construct main water supply at Bukit Gambang Resort City, Mukim Ulu Lepar, Daerah Kuantan, Negeri Pahang Darul Makmur for a contract sum of RM3.8 million for the contract period from 15 April 2009 to 31 December 2009. The contractual period was extended from 31 December 2009 to 31 March 2011 via a letter dated 31 December 2009 issued by Sentoria Themeparks and duly accepted by Mantap Selaras.*
- (k) *Sentoria Harta had via its letter of award dated 23 June 2008 engaged Mantap Selaras As its main contractor to construct a 750,000 gallon elevated reservoir, 350,000 gallon suction tank, pump house and all works associated with such construction, on the land located along KM 13 & 14, Jalan Kuantan Pekan, Mukim Kuala Kuantan and Mukim Penor, Daerah Kuantan, Negeri Pahang Darul Makmur, for a contract sum of RM3.8 million for the contract period from 1 May 2008 to 31 December 2008. The contract period was extended from 31 December 2008 to 31 March 2011 via a letter dated 31 December 2008 issued by Sentoria Harta and duly accepted by Mantap Selaras.*
- (l) *Sentoria Themeparks had via its letter of award dated 8 April 2009 engaged Mantap Selaras as its main contractor for the construction of road works and related infrastructure works within Bukit Gambang Resort City located at Mukim of Ulu Lepar, Daerah Kuantan, Negeri Pahang Darul Makmur for a contract sum of RM6.8 million for the period from 15 April 2009 to 31 December 2009. The contract period was extended from 31 December 2009 to 31 March 2011 via a letter dated 31 December 2009 issued by Sentoria Themeparks and duly accepted by Mantap Selaras.*
- (m) *Sentoria Themeparks had via its letter of award dated 15 October 2007 engaged Mantap Selaras as its main contractor for the construction of the waterpark consisting of main building, various play equipment, wave pool, various fun pools and ancillary buildings at Bukit Gambang Resort City, Mukim of Ulu Lepar, Daerah Kuantan, Negeri Pahang Darul Makmur, for a contract sum of RM20.0 million for the period from 1 December 2007 to 30 June 2009. The contract sum subsequently increased by another RM17,801,221.97 as variation order works via Sentoria Themeparks's letter dated 15 June 2008. The contract period was extended from 30 June 2009 to 31 March 2011 via a letter dated 30 June 2009 issued by Sentoria Themeparks and duly accepted by Mantap Selaras.*
- (n) *Sentoria Harta had on 1 January 2008 engaged Hartanah Goldhill Sdn Bhd as its marketing agent for the sale of Caribbean Bay Resort suites, upon the terms and subject to the conditions as stipulated in the said letter of appointment for a six (6) month period commencing from the date of the said letter. The appointment was extended from 1 July 2008 to 31 December 2008 via a letter dated 30 June 2008 issued by Sentoria Harta and duly accepted by Hartanah Goldhill Sdn Bhd.*
- (o) *As at 30 September 2008, 30 September 2009 and 30 September 2010, there were outstanding sums of approximately RM382,667, RM539,723 and RM509,723 respectively due from Sentoria to Dato' Chan Kong San in respect of payments made by Dato' Chan Kong San on behalf of Sentoria. These advances were not made on an arm's length basis as they were interest-free, unsecured and without any fixed terms of repayment. Sentoria had on 28 February 2011 settled all the advances owing to Dato' Chan Kong San.*

**8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)**

- (p) As at 30 September 2008, 30 September 2009 and 30 September 2010, there were outstanding sums of approximately RM374,510, RM622,512 and RM517,012 respectively due from Sentoria to Dato' Gan Kim Leong in respect of payments made by Dato' Gan Kim Leong on behalf of Sentoria. These advances were not made on an arm's length basis as they were interest-free, unsecured and without any fixed terms of repayment. Sentoria had on 28 February 2011 settled all the advances owing to Dato' Gan Kim Leong.
- (q) Sentoria had on 29 March 2011 entered into a sale and purchase agreement with Dato' Chan Kong San whereby Sentoria agreed to sell and Dato' Chan Kong San agreed to purchase a leasehold land held under HSD 109643 PT 44221, Bandar Cheras, Daerah Ulu Langat, Negeri Selangor, at a purchase consideration of RM478,455, upon the terms and subject to the conditions in the sale and purchase agreement.
- (r) Sentoria Harta had on 1 March 2009 entered into a tenancy agreement with IHRSB whereby Sentoria Harta agreed to let and IHRSB agreed to accept a tenancy of all that piece of property situated at Jalan TIS 1, Taman Indera Sempurna, 26300 Kuantan, Pahang Darul Makmur, which consists of a main building, a swimming pool, a club with all facilities and training rooms ("Sempurna Resort"), for a period commencing on 1 March 2009 and expiring on 30 September 2009 for a monthly rental of RM100,000.00. Sentoria Harta had subsequently via its letter dated 1 July 2009 terminated the tenancy agreement with effect from 1 October 2009.
- (s) IHRSB had on 1 March 2009 entered into a tenancy agreement with Sentoria Themeparks whereby IHRSB agreed to let and Sentoria Themeparks agreed to accept a tenancy of Sempurna Resort, for a period commencing on 1 March 2009 and expiring on 30 September 2009 for a monthly rental of RM80,000.00. IHRSB had subsequently via its letter dated 1 July 2009 terminated the tenancy agreement with effect from 1 October 2009.
- (t) ITMSB had on an ad-hoc basis rented computers and provided related maintenance services to Sentoria Alam, Sentoria Bina, Sentoria, Sentoria Harta and Sentoria Themeparks. As at the LPD, Sentoria Group has its own IT department and equipment and as such will no longer enter into transactions of the above nature.
- (u) Sentoria had on 1 April 2007 entered into a tenancy agreement with Mantap Selaras whereby Sentoria agreed to let and Mantap Selaras agreed to accept the tenancy of the premises located at 3<sup>rd</sup> floor No. 56, Jalan Dagang SB 4/2, Taman Sungai Besi Indah, 43300 Seri Kembangan, Selangor Darul Ehsan, for a period commencing on 1 April 2007 and expiring on 30 September 2008, at a monthly rental of RM1,500.

For information purposes, the above trade-in-nature non-recurrent RPT arises mainly due to Mantap Selaras's role as the main contractor for contracts disclosed under note (i) to (m) above. On 25 March 2011, Dato' Chan Kong San and Dato' Gan Kim Leong has disposed Mantap Selaras to other parties not related to the Group. Notwithstanding the disposal of Mantap Selaras, following the completion of the above construction services, our Group will perform similar future constructions in-house or if required engage other sub-contractors.

Our Directors are of the view that the above non-recurrent RPTs were conducted on arm's length basis and on terms not more favourable to the related parties than those generally available to the public. Our Audit Committee will supervise the terms of RPTs, and the Directors of our Company will report such RPTs, if any, annually in our Company's annual report.

**8.1.3 Recurrent RPT of a Revenue or Trading Nature**

Pursuant to Paragraph 10.09 of the Listing Requirements, a listed issuer may seek a shareholders' mandate in respect of RPTs involving recurrent transactions of revenue or trading nature subject, inter-alia, to the following:-

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related-party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or exceeds the applicable prescribed threshold under paragraph 10.09(1) of the Listing Requirements;

**8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)**

- (c) in a meeting to obtain shareholders' mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution approving the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions.

Due to the time-sensitive nature of commercial transactions, the shareholders mandate will enable us, in our normal course of business, to enter into the categories of RPTs, provided such related-party transactions are made at arm's length and on normal commercial terms.

Any recurrent RPTs to be entered into by us or any of our subsidiaries with our directors or substantial shareholders or persons connected with such directors or substantial shareholders will be disclosed in our annual report of the aggregate value of transactions conducted based on the nature of recurrent RPTs made together with the names of the related parties involved and their relationship with our Group during the financial year end and in the annual reports for the subsequent financial years.

**8.2 TRANSACTIONS THAT ARE UNUSUAL IN THEIR NATURE OR CONDITIONS**

Our Directors have confirmed that there are no transactions that are unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which we or any of our subsidiaries was a party in respect of the past three (3) FYEs up to 30 September 2010 and FPE 2011.

**8.3 OUTSTANDING LOANS (INCLUDING GUARANTEES OF ANY KIND) MADE BY US OR ANY OF OUR SUBSIDIARIES TO / FOR THE BENEFIT OF RELATED PARTIES**

Our Directors have confirmed that there are no outstanding loans (including guarantees of any kind) made by our Company and/or subsidiaries to or for the benefit of any related party in respect of the past three (3) FYEs up to 30 September 2010 and FPE 2011.

**8.3.1 Provision of guarantee by related parties**

As at the LPD, there are personal guarantees for loans / suppliers to the Group amounting to RM62.6 million provided by Dato' Chan Kong San and Dato' Gan Kim Leong. The transactions were not conducted on arm's length basis as Dato' Chan Kong San and Dato' Gan Kim Leong are not entitled to receive any interest or other benefits from providing the guarantees. However, the provisions of the guarantees are beneficial to the Group.

In addition, Sentoria Bina has, pursuant to a letter of offer dated 5 April 2006, obtained an overdraft facility from RHB Bank Berhad ("RHB Bank"). Pursuant thereto, Dato' Gan Ah Tee, the brother to Dato' Gan Kim Leong, has created a third party charge as security over all that piece of land held under HSD 86116 PT 6560, Mukim Setul, Daerah Seremban, Negeri Sembilan ("GAT Land"), in favour of RHB Bank. Pursuant to a letter dated 1 July 2011 from RHB Bank to Sentoria Bina, RHB Bank has at the request of Sentoria Bina agreed in principle to substitute the third party charge over the GAT Land with charges as security for the existing overdraft facility over two (2) pieces of vacant agriculture land owned by Sentoria Bina.

Our Group intends to obtain the release and discharge of the aforementioned guarantees from the banks / suppliers and replace them with corporate guarantees provided by our Group upon the completion of our Listing. Our Group does not expect the revised terms and conditions of the banking facilities following the discharge of the guarantees and their replacement by corporate guarantees to be provided by our Group, to have any material adverse impact on our Group.

**8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)****8.4 INTERESTS IN SIMILAR BUSINESS**

As at LPD, save as disclosed below, none of our other Directors or substantial shareholders are interested, directly or indirectly, in any business carrying on a similar trade as our Group which would give rise to a conflict of interest situation:-

Name of Interested Promoters / Directors / substantial shareholders	Name of Company	Principal Activities	Nature of Interest	% of equity shareholdings
Dato' Chan Kong San Dato' Gan Kim Leong	IHRSB	Letting of premises*	Dato' Chan Kong San and Dato' Gan Kim Leong and directors and substantial shareholders of IHRSB	100.00%

*Note:-*

\* IHRSB was previously involved in letting of hospitality facilities. It is now dormant as at LPD

Our Promoters who are the directors and substantial shareholders of IHRSB, a dormant company which was previously involved in similar principal activity to that of Sentoria Group, have jointly and severally provided an undertaking that for so long as they remain the Directors and/or substantial shareholders of Sentoria, they shall not, through IHRSB carry out any business which is in competition or in conflict with the business of the Sentoria Group.

**8.5 INTERESTS IN OTHER BUSINESSES OR CORPORATIONS WHICH ARE CUSTOMERS OR SUPPLIERS OF OUR GROUP**

Save as disclosed below, none of our Directors and substantial shareholders is interested directly and / or indirectly in any other business or corporation which is a customer or supplier of our Group as at the LPD:-

i) Dato' Gan Kim Leong

Name of Company	Nature of Business	Relationship	Position (Director/ Shareholder)	Direct (%)	Indirect (%)
BGCSB	Investment holding	Purchaser of Caribbean Bay and Arabian Bay resort suites, Desa Hijauan shop offices and Block F, TIS 2 shop lots. Also a landlord for Caribbean Bay sales and leaseback	Director and shareholder	50.00	-
IATSB	Provision of hotel management courses and food catering	Tenant of premises situated at Ground Floor of Sempuma Resort	Director and shareholder	-	100.00*
Sentoria Capital	Investment holding	Landlord of Kuantan office	Director and shareholder	50.00	-

**8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)**

## ii) Dato' Chan Kong San

Name of Company	Nature of Business	Relationship	Position (Director/ Shareholder)	Direct (%)	Indirect (%)
BGCSB	Investment holding	Purchaser of Caribbean Bay and Arabian Bay resort suites, Desa Hijauan shop offices and Block F, TIS 2 shop lots. Also a landlord for Caribbean Bay sales and leaseback	Director and shareholder	50.00	-
IATSB	Provision of hotel management courses and food catering	Tenant of premises situated at Ground Floor of Sempurna Resort	Director and shareholder	-	100.00*
Sentoria Capital	Investment holding	Landlord of Kuantan office	Director and shareholder	50.00	-

Note:-

\* Deemed interest by virtue of their interest in Imperia Bakat Sdn Bhd pursuant to Section 6A of the Act

The Directors and substantial shareholders of our Company are aware that the interests held by them in other businesses and corporations which are customers or suppliers to our Group may give rise to a conflict of interest situation with our Group's businesses. As disclosed under Section 8.1.1 and 8.1.2 above, the transactions entered into with BGCSB, IATSB and Sentoria Capital are recurrent and/or non-recurrent in nature.

Our Board confirms that all dealings between the affected businesses and corporations above will be on an arm's length basis, to be transacted on normal commercial terms and not to the detriment of the minority shareholders of our Group.

In view of their interests in such companies, interested Directors and interested shareholders will be required to abstain from deliberations and voting on decisions and resolutions in relation to matters and/or transactions with the affected businesses and corporations. At the same time, the Audit Committee and Independent Directors will ensure proper disclosure and corporate governance in all business dealings with the affected businesses and corporations.

**8.6 PROMOTIONS OF ANY MATERIAL ASSETS ACQUIRED / TO BE ACQUIRED WITHIN THREE (3) YEARS PRECEDING THE DATE OF THIS PROSPECTUS**

Save as disclosed under Sections 9.2 and 9.5.1, there are no material assets acquired / to be acquired within three (3) years preceding the date of this Prospectus.

**8.7 CONTRACTS OR ARRANGEMENTS IN WHICH OUR DIRECTORS OR SUBSTANTIAL SHAREHOLDERS ARE INTERESTED AND SIGNIFICANT IN RELATION TO OUR BUSINESS**

Save as disclosed under Section 8.1.1 and 8.1.2, none of our Directors and/or substantial shareholders has interest in any contract or arrangement, which is significant in relation to the business of our Group.

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**8. RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST (Cont'd)**

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**8.8 DECLARATION BY THE ADVISERS**

AmInvestment Bank hereby confirms that there are no existing or potential conflicts of interest in its capacity as the Principal Adviser, Managing Underwriter, Underwriter and Joint Placement Agent for the IPO.

Messrs Mah-Kamariyah & Philip Koh hereby confirms that there are no existing or potential conflicts of interest in their capacity as the Solicitors for the IPO.

Messrs SJ Grant Thornton hereby confirms that there are no existing or potential conflicts of interest in their capacity as Reporting Accountants for the IPO.

Converging Knowledge hereby confirms that there are no existing or potential conflicts of interest in their capacity as the Independent Market Research Consultants for the IPO.

Rahim & Co hereby confirms that there are no existing or potential conflicts of interest in their capacity as the Independent Registered Valuers for the IPO.

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