

## 19. ACCOUNTANTS' REPORT (Cont'd)

**(b) Basis of Consolidation**

The consolidated financial statements include the financial statements of the Company and all its subsidiaries. Subsidiaries are those companies in which the proforma Group has power to exercise control over the financial and operating policies so as to obtain benefits therefrom.

Companies acquired or disposed during the period are included in the consolidated financial statements from the date of acquisition or to the date of disposal. Intragroup transactions are eliminated on consolidation and the consolidated financial statements reflect external transactions only.

The excess of the purchase price over the fair value of the net assets of subsidiaries at the date of acquisition is included in the consolidated balance sheet as goodwill or reserve arising on consolidation. Goodwill or reserve arising on consolidation is amortised over a period of 25 years.

**(c) Property, Plant and Equipment and Depreciation**

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and accumulated impairment loss. Revaluations are made by independent valuer on an open market value basis. Any increase arising from valuation is credited to a revaluation surplus; any decrease is first offset against an increase on earlier valuation in respect of the same property and is thereafter charged to the operating profit. Leasehold land is depreciated over the period of the lease. No depreciation has been provided for buildings on freehold land of one of its subsidiaries. This is not in accordance with MASB 14. However, the effect of the non-compliance is not considered by the directors to be material in relation to the financial statements. Depreciation of other property, plant and equipment is provided on a straight line basis over the useful estimated useful lives.

The principal annual rates of depreciation are:

Land and buildings	2%
Plant, machinery, electrical installation and tools	7.5% - 20%
Motor vehicles	20% - 25%
Office equipment, furniture and fittings	2%

**(d) Deferred Expenditure**

Deferred expenditure represents expenses incurred in relation to the proposed issuance of shares. It will be set-off against the share premium account upon the issuance of shares as permitted by Section 60(2)(e) of the Companies Act, 1965, failing which, the listing expenses will be charged to the income statement.

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19. ACCOUNTANTS' REPORT (Cont'd)

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**(e) Inventories**

Inventories are stated at the lower of cost (determined on the first-in, first-out basis) and net realisable value. Cost of finished goods and work-in-progress includes direct materials, direct labour, and appropriate production overheads.

**(f) Deferred Taxation**

Deferred taxation is provided under the liability method for all material timing differences except where there is reasonable evidence that these timing differences will not reverse in the foreseeable future.

**(g) Trade and Other Receivables**

Trade and other receivables are carried at anticipated realisable value. Bad debts are written off when identified. An estimate is made for doubtful debts based on review of all outstanding amounts as at the balance sheet.

**(h) Finance Lease and Hire Purchase**

Property, plant and equipment acquired under hire purchase are capitalised in the financial statements and are depreciated in accordance with the policy set out in (c) above. The corresponding outstanding obligations due under the hire purchase after deducting the finance expenses are included as liabilities in the financial statements. Finance expenses are charged to the income statement over the period of the respective agreements using the sum-of-digit method.

**(i) Investments**

Other long term investments are stated at cost less provision for any permanent diminution in value.

**(j) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and in banks and deposits at call, and short term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

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19. ACCOUNTANTS' REPORT (Cont'd)

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(k) **Impairment of Assets**

The carrying values of assets are reviewed for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount is the higher of net realisable value and value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit.

An impairment loss is charged to the income statement immediately, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognised surplus for the same asset.

Subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the assets that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

## 19. ACCOUNTANTS' REPORT (Cont'd)

## 7.2 PROPERTY, PLANT AND EQUIPMENT

As at 30 November, 2001	Land and buildings* RM'000	Plant, machinery, electrical installation and tools RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Capital work-in progress RM'000	Capital downpayment- freehold land and building RM'000	Total RM'000
<b>Proforma Group</b>							
Cost/Valuation <sup>1</sup>	21,044	15,325	3,457	1,691	35	10	41,562
Accumulated Depreciation	(1,850)	(7,275)	(2,114)	(866)	-	-	(12,105)
Net Book Value <sup>2</sup>	19,194	8,050	1,343	825	35	10	29,457
<sup>1</sup> Representing:							
At cost	13,790	15,325	3,457	1,691	35	10	34,308
At valuation	7,254	-	-	-	-	-	7,254
	21,044	15,325	3,457	1,691	35	10	41,562
<sup>2</sup> Net Book Value							
At cost	12,281	8,050	1,343	825	35	10	22,544
At valuation	6,913	-	-	-	-	-	6,913
	19,194	8,050	1,343	825	35	10	29,457

## \*Land and buildings

As at 30 November, 2001	Freehold land RM'000	Long term leasehold land RM'000	Short term leasehold land RM'000	Factory and office buildings RM'000	Renovation RM'000	Total RM'000
<b>Proforma Group</b>						
Cost/Valuation <sup>1</sup>	1,020	3,840	593	14,996	595	21,044
Accumulated Depreciation	-	(170)	(66)	(1,277)	(337)	(1,850)
Net Book Value <sup>2</sup>	1,020	3,670	527	13,719	258	19,194
<sup>1</sup> Representing:						
At cost	555	1,225	593	10,822	595	13,790
At valuation	465	2,615	-	4,174	-	7,254
	1,020	3,840	593	14,996	595	21,044
<sup>2</sup> Net Book Value						
At cost	555	1,055	528	9,886	257	12,281
At valuation	465	2,615	-	3,833	-	6,913
	1,020	3,670	528	13,719	257	19,194

## 19. ACCOUNTANTS' REPORT (Cont'd)

- (a) Included in the property, plant and equipment of the Proforma Group are the following cost of fully depreciated assets which are still in use:

	RM'000
Plant, machinery, electrical installation and tools	84
Motor vehicles	300
Office equipment, furniture and fittings	887
	<u>1,271</u>

- (b) The revaluation of land and buildings of the Proforma Group is based on an independent valuation carried out by a firm of professional valuers and adjusted and approved by the Securities Commission on 30 October, 2000.
- (c) Included in property, plant and equipment of the Proforma Group are the following assets which are pledged to banks for term loans and overdraft facilities granted to the Group:-

	Net Book Value RM'000
Land and buildings	<u>18,427</u>

- (d) Included in the fixed assets of the Group are the following assets which are held under hire purchase agreements:-

	Net Book Value RM'000
Plant, machinery, electrical installation and tools	1,735
Motor vehicles	1,257
	<u>2,992</u>

## 7.3 OTHER INVESTMENTS

	Proforma Group RM'000
Quoted at cost:	
- in Malaysia	<u>288</u>
Market value	
Quoted shares - in Malaysia	<u>178</u>

## 19. ACCOUNTANTS' REPORT (Cont'd)

## 7.4 INVENTORIES

	Proforma Group RM'000
Raw material	2,347
Work-in progress	4,774
Finished goods	17,128
	<u>24,249</u>

## 7.5 TRADE RECEIVABLES

	Proforma Group RM'000
Trade receivables	61,564
Provision for doubtful debts	(1,796)
	<u>59,768</u>

## 7.6 FIXED DEPOSITS

Fixed deposits of the Group have been pledged to the banks as collateral for banking facilities as disclosed in Note 7.7.

## 7.7 SHORT TERM BORROWINGS

	Proforma Group RM'000
Secured -	
Bank overdrafts	9,146
Bankers acceptance	25,010
Term loan (Note 7.10)	376
Hire purchase (Note 7.9)	747
	<u>35,279</u>
Unsecured -	
Bank overdrafts	470
	<u>35,749</u>

The secured short term borrowings of the Proforma Group are secured by certain assets of the Group as disclosed in Note 7.2(c) and Note 7.10.

## 19. ACCOUNTANTS' REPORT (Cont'd)

## 7.8 SHARE CAPITAL

	Company RM'000	Proforma Group RM'000
Ordinary shares of RM1.00 each:		
Authorised	<u>50,000</u>	<u>61,100</u>
Issued and fully paid:		
As at 31 March, 2001	10	10
Shares issued as the consideration for the acquisition of SPG, RMT and FEMT	-	40,340
As at 30 November, 2001	<u>10</u>	<u>40,350</u>

## 7.9 HIRE PURCHASE AND LEASE PAYABLES

	Proforma Group RM'000
Future minimum payments are as follows:	
Payable within one year	911
Payable between one and five years	<u>697</u>
	1,608
Less : Finance charges	<u>(261)</u>
	<u>1,347</u>
Representing hire purchase and lease liabilities:	
Due within 12 months (Note 7.7)	747
Due after 12 months	<u>600</u>
	<u>1,347</u>

## 7.10 TERM LOANS

	Proforma Group RM'000
Term loans	2,035
Less : Due within 12 months (Note 7.7)	<u>(376)</u>
Due after 12 months	<u>1,659</u>

## 19. ACCOUNTANTS' REPORT (Cont'd)

The term loans bear interest at rates ranging from 6.75% to 9.30% per annum. The term loans are secured by the following:

- (a) Certain freehold land and building of the Group as disclosed in Note 7.2(c);
- (b) Continuing joint and several guarantee by the Directors of its subsidiaries;
- (c) Debenture incorporating fixed and floating charges over all the present and future assets of one of its subsidiaries; and
- (d) Corporate guarantee from its subsidiaries.

### 8.0 CASH FLOW STATEMENT FOR THE COMPANY AND GROUP PROFORMA FOR THE YEAR ENDED 30 NOVEMBER, 2001

The proforma consolidated cash flow statement of SMCB Group for the 8 month period from 1 April, 2001 to, 30 November, 2001 set out below has been prepared for illustrative purposes only on the assumption that the restructuring and flotation scheme as mentioned in section 2.2 of this report has been effected on 30 November, 2001.

	Company RM'000	Proforma Group RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/profit before taxation	(6)	6,382
Adjustment for:		
Depreciation	-	1,530
Gain on disposal of property, plant and equipment	-	(36)
Write back of provision	-	(297)
Property, plant and equipment written off	-	45
Provision for doubtful debts	-	1,684
Impairment losses of plant, property and equipment	-	341
Bad debts written off	-	298
Interest income	-	(89)
Interest expenses	-	1,530
Operating (loss)/profit before working capital changes	(6)	11,388
Increase in receivables	-	(14,238)
Increase in inventories	-	(3,794)
Increase in payables	225	(12,558)
Cash generated/(used in) from operating activities	219	(19,202)
Interest paid	-	(1,246)
Taxes paid	-	(1,059)
Net cash flow generated/(used in) from operating activities	219	(21,507)



## 19. ACCOUNTANTS' REPORT (Cont'd)

	Company RM'000	Proforma Group RM'000
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	-	(1,302)
Increase in deferred expenditure	(219)	(204)
Interest received	-	40
Proceed from sale of property, plant and equipment	-	6
Net cash flow used in investing activities	<u>(219)</u>	<u>(1,460)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Drawdown of term loans	-	600
Bill payable	-	23,811
Repayment of term loans	-	(209)
Interest paid	-	(284)
Repayment to a Director	-	(101)
Withdrawal of short term deposits	-	122
Repayment of hire purchase payable	-	(221)
Placement of short term deposits	-	(22)
Net cash flow generated from financing activities	<u>-</u>	<u>23,696</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>-</b>	<b>729</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>-</b>	<b>(9,840)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b><u>-</u></b>	<b><u>(9,111)</u></b>
Cash and cash equivalents comprise:		
Cash and bank balances	-	505
Bank overdraft	-	(9,616)
	<u>-</u>	<u>(9,111)</u>

## 19. ACCOUNTANTS' REPORT (Cont'd)

## 9.0 NET TANGIBLE ASSETS COVER

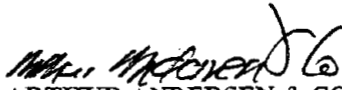
Based on the statement of assets and liabilities of the Proforma Group as at 30 November, 2001, the net tangible assets per ordinary share of RM1.00 each for the Proforma Group is arrived at as follows:

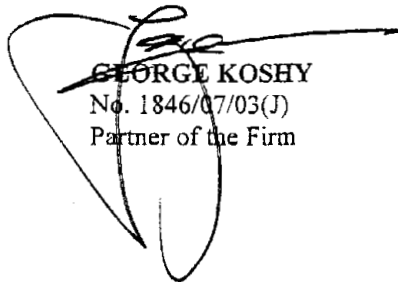
	RM'000
Net tangible assets of the Proforma Group as at 30 November, 2001	48,608
Net increase in tangible assets arising from Public Issue	<u>1,186</u>
Proforma NTA	<u>49,794</u>
Total number of enlarged ordinary shares of RM1.00 each in issue	
As per Note 7.8	40,350
Proposed Public Issue	<u>1,650</u>
Enlarged share capital	<u>42,000</u>
Proforma NTA per ordinary share of RM1.00 each	<u>1.19</u>

## 10.0 AUDITED FINANCIAL STATEMENTS

No audited financial statements of SMCB been prepared in respect of any period subsequent to 30 November, 2001.

Yours faithfully,

  
 ARTHUR ANDERSEN & CO.  
 No. AF 0103  
 Chartered Accountants

  
 GEORGE KOSHY  
 No. 1846/07/03(J)  
 Partner of the Firm

## 20. VALUATION CERTIFICATES

(Prepared for inclusion in this Prospectus)

20 MAY 2002

The Board of Directors  
Stone Master Corporation Berhad  
No. 78, Jalan SS21/39  
Damansara Utama  
47400 Petaling Jaya  
Selangor Darul Ehsan

Dear Sirs

## VALUATION OF LANDED PROPERTIES

This Certificate has been prepared for inclusion in the Prospectus of Stone Master Corporation Berhad to be dated 29 May 2002 issued in connection with the public issue of 1,650,000 new ordinary shares of RM1.00 each and offer for sale of 3,420,000 ordinary shares of RM1.00 each at an issue/offer price of RM1.15 per ordinary share pursuant to the listing of and quotation for its entire enlarged issued and paid-up share capital on the Second Board of Kuala Lumpur Stock Exchange.

We have inspected the landed properties set out below on 9 May 2000 and have assessed the Market Values of the said landed properties, the details of which were set out in our valuation reports, under references JLJC/PK/238/2000, JLJC/PK/239/2000, JLJC/PK/240/2000 and JLJC/PK/241/2000, all dated 17 May 2000 and a valuation update certificate dated 5 July 2000.

We wish to highlight that as at the date of valuation, the factory erected on P.T. No. 399, H.S. (D) 54475 (Formerly H.S. (D) KA 54475), Mukim of Sungai Raya, District of Kinta, Perak Darul Ridzuan, and Lot No. 202190, Pajakan Negeri 123433, Mukim Raya, District of Kinta, Perak Darul Ridzuan has not been issued a Certificate of Fitness for Occupation for the extension comprising an open-sided storage shed. The Certificate of Fitness for Occupation was subsequently obtained on 13 March 2001 and the abovementioned extension were subsequently rectified.

The valuation have been carried out in accordance with the Guidelines on Asset Valuation for Submission to the Securities Commission (1995) issued by the Securities Commission and in compliance with the valuation standards prescribed by the Board of Valuers, Appraisers & Estate Agents of Malaysia, and with the necessary professional responsibility and due diligence.



**COLLIERS, JORDAN LEE  
& JAAFAR SDN. BHD.**  
(59901-U)

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International Property Consultants • Chartered Valuation Surveyors • Registered Valuers & Real Estate Agents •

Project & Property Managers • Plant & Machinery Valuers • Auctioneers

Managing Director: P. TANGGA PERAGASAM, Fsm, Frics, Charman CHIN LAI SITT, Fsm, Frics, LLB (Hons), CLP, Executive Directors: THOO SING CHOON, Frics, Inv, Ac/Arb, Fpics, TH'NG KIM KOK, Miam, Frics, Director / Advisor: JAAFAR ISMAIL, Fsm, Frics

JORDAN LEE, KMN, Fsm, Frics, Apeps, Inv, Mssav, Scv, TEH TEIK BIN, Arcs, Msm, Inv, Prof. Dip (U.K.), CHIN KIM CHOY, Msm, Dip. Est. Mgmt (U.K.), LEE THIAM SING, Msm, LIM CHANG MEE, Fsm, Frics, BA (Hons), B.Sc (Hons)

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Agency Division : Colliers International Property Consultants Sdn. Bhd.  
Nos. 109 & 209, Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, 48350 Petaling Jaya, Off Jalan Damansara, Kuala Lumpur. Tel: 4610220 Fax: 4610330, 4610230  
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Johor : Suite 326, 3rd Floor, PanGlobal Plaza, Jalan Wong Ah Fook, 80000 Johor Bahru, Johor Darul Takzim. Tel: 07-2232289 Fax: 07-2245899  
Pahang : 17, Jalan Gambut 2, 25000 Kuantan, Pahang Darul Makmur. Tel: 09-5555888 Fax No: 09-5142148  
Melaka : No. 669 & 669A, Taman Melaka Raya, 75000, Melaka. Tel: 06-2635522 (3 Lines) Fax: 06-2637635  
Penang : Lot 2.01, 2nd Floor, Southern Bank Building, 21, Lebuh Pantai, 10300 Pulau Pinang. Tel: 04-2637749 & 2637750 Fax No: 04-2637644  
Asso Office : Kuching : Lot 216 (2/F), Jalan Haji Taha, 93400 Kuching, Sarawak. Tel: 082-419200 & 419222 Fax No: 082-429315

Other Colliers Offices: Australia, China, Hong Kong, India, Indonesia, Japan, New Zealand, Philippines, Singapore, Taiwan, Thailand, Vietnam, Austria, Belgium, Czech Republic, France, Germany, Greece, Hungary, Italy, Netherlands, Poland, Portugal, Republic of Ireland, Russia, Scotland, Slovenia, South Africa, Spain, Turkey, United Kingdom, The Americas Argentina, Canada, Mexico, Venezuela and United States Of America.



## 20. VALUATION CERTIFICATES (Cont'd)

**COLLIERS**  
JORDAN LEE & JAAFAR

The summary of the valuation are as follows:-

Title/Location	Registered/ Beneficial owner/ Postal address (if applicable)	Description	Tenure	Approximate age of building as at the date of valuation (years)	Market Value RM	Method of valuation	Material date of valuation
<b>Properties held for owner occupation</b>							
P.T. 399, Title No. H.S. (D) 54475 (Formerly H.S. (D) KA 54475), Mukim of Sungai Raya, District of Kinta, Perak Darul Ridzuan; and	SPG/ Lot PT 399, 2.5km, Off Jalan Pengkalan, Mukim Sg. Raya, Simpang Pulai, 31300 Kg. Kepayang, Perak	Industrial/ Granite/ Marble processing factory complex	P.T. 399: 60- years lease expiring 23.06.2046  Lot 202190: 60-years expiring 26.02.2053	2-8 years	7,205,000	Comparison and Investment	15.05.2000
Lot No. 202190, Pajakan Negeri 123433, Mukim of Sungai Raya, District of Kinta, Perak Darul Ridzuan							
<b>Properties which are surplus to operational requirements</b>							
P.T. 1115, H.S. (D) 54474 (Formerly H.S. (D) KA 54474), Mukim of Sungai Raya, District of Kinta, Perak Darul Ridzuan	FSB	Vacant Industrial Land	60-years lease expiring 23.07.2053	N/A	1,070,000	Comparison and Investment	15.05.2000
Lot No. 192922, Pajakan Negeri 71384, Mukim of Sungai Raya, District of Kinta, Perak Darul Ridzuan	SPG	Vacant Industrial Land	60-years lease expiring 20.10.2052	N/A	735,000	Comparison and Investment	15.05.2000
Lot No. 207391, Pajakan Negeri 108287, Mukim of Sungai Raya, District of Kinta, Perak Darul Ridzuan	Rayasan (Perak) Sdn. Bhd.®	Vacant Industrial Land	60-years lease expiring 07.10.2053	N/A	1,130,000	Comparison and Investment	15.05.2000
					<u>10,140,000</u>		

**Notes:-**

@ SPG has signed a sale and purchase agreement with Rayasan (Perak) Sdn. Bhd. on 17 April 2000 to acquire a piece of industrial land for RM1.130 million.

N/A Not applicable.

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20. VALUATION CERTIFICATES (Cont'd)

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**COLLIERS**  
JORDAN LEE & JAAFAR

We certify that in our opinion the total Market Values for the existing use of the above properties using the valuation methods stated above amounts to **RM10,140,000 (Ringgit Malaysia: Ten Million One Hundred and Forty Thousand Only)**.

Yours faithfully  
Colliers Jordan Lee & Jaafar Sdn. Bhd.



Th'ng Kim Kok  
Chartered Valuation Surveyor  
Registered Valuer (V-093)

## 20. VALUATION CERTIFICATES (Cont'd)

20 May 2002

The Board of Director  
**Stone Master Corporation Berhad**  
 No 78, Jalan SS21/39  
 Damansara Utama  
 47400 Petaling Jaya  
 Selangor Darul Ehsan

Dear Sirs,

RE : VALUATION OF LANDED PROPERTIES

**COLLIERS**  
 JORDAN LEE & JAAFAR

**COLLIERS JORDAN LEE  
 & JAAFAR (JH) SDN. BHD.**  
 (136779-K)

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 Jalan Wong Ah Fook,  
 80000 Johor Bahru,  
 Johor Darul Takzim,  
 MALAYSIA.  
 Tel No. 607 - 223 2299  
 Fax No. 607 - 224 5899  
 E-mail : [johor@colliers.com.my](mailto:johor@colliers.com.my)  
 Website : [www.colliers.com.my](http://www.colliers.com.my)

This Certificate has been prepared for inclusion in the Prospectus of Stone Master Corporation Berhad to be dated 29 May 2002 issued in connection with the public issue of 1,650,000 new ordinary shares of RM1.00 each and offer for sale of 3,420,000 ordinary shares of RM1.00 each at an issue/offer price of RM1.15 per ordinary share pursuant to the listing of and quotation for its entire enlarged issued and paid-up share capital on the Second Board of Kuala Lumpur Stock Exchange.

We have inspected the landed properties set out below on 15 May 2000 and have assessed the market values of the said landed properties, the details of which were set out in our valuation reports, under references V00/JH/SC/R19001370/MS, V00/JH/SC/R19001371/MS, V00/JH/SC/R20001372/MS, V00/JH/SC/R21001373/MS, V00/JH/SC/R22001374/MS and V00/JH/SC/R23001375/MS, all dated 15 May 2000.

The valuation have been carried out in accordance with the Guidelines on Asset Valuation for Submission to the Securities Commission (1995) issued by the Securities Commission and in compliance with the valuation standards prescribed by the Board of Valuers, Appraisers & Estate Agents, with the necessary professional responsibility and due diligence.

The summary of the valuation are as follows :-

Title / Location	Registered / Beneficial owner / Postal address (if applicable)	Description	Tenure	Approximate age of building as at the date of valuation (years)	Market Value (RM)	Method of Valuation	Material date of valuation
<b>Properties held for owner occupation</b>							
Lot No PTD 4421, Title No HS(D) 19589, in the Mukim of Tebrau, District of Johor Bahru, Johor Darul Ta'zim	RMT/ No 41, Batu 7, Jalan Kota Tinggi, 81100 Pandan, Johor Bahru, Johor	Industrial / Single storey workshop building	Freehold	20	900,000	Comparison and Cost	15.05.2000
Lot No PTD 38552, Title No HS(D) 23176, in the Mukim and District of Kluang, Johor Darul Ta'zim	RMT/ No 1, Jalan Desa 3, Taman Desa, 86000 Kluang, Johor	Commercial / Double storey shophouse used as a store	Freehold	10	310,000	Comparison and Cost	15.05.2000

International Property Consultants - Chartered Valuation Surveyors - Registered Valuers & Real Estate Agents -  
 Project & Property Managers - Plant & Machinery Valuers - Auctioneers

Managing Director JORDAN LEE, KMN, Fnm, Frics, Acpes, Inv, Mslv, Scv. Chairman JAAFAR ISMAIL, Fnm, Frics. Directors CHIN KIM CHOY, Mism, Dip. Est. Mgmt (U.K.)

THOO SING CHODH, Fava, Inv, Acl/Ato, Fpics, Amlsv. P. TANGGA PERAGASAM, Mism, Frics. CHIN LAI SITT, Fc (M), Frics. Inv, LLB. (Hons). THNG KIM KOK, Mism, Frics.

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 N. Sembilan : 9A, Kompleks Negeri, Jalan Dr. Krishnan, 70000 Seremban, Negeri Sembilan Darul Khusus, Malaysia. Tel : 06-7638890 & 7638990 Fax : 06-7637936  
 Perak : Room 3, 2nd Floor, Lidooy House, Jalan Dato Segoi, 30000 Ipoh, Perak Darul Ridzuan. Tel : 05-2414826 (3 lines) Fax No : 05-2555363  
 Penang : 17, Jalan Gambol 2, 25000 Kuantan, Pahang Darul Maasjur. Tel : 09-5555588 Fax No : 09-5142145  
 Melaka : 689 & 689A, Taman Melaka Raya, 75000 Melaka. Tel : 06-2835522 (3 lines) Fax No : 06-2837635  
 Penang : Lot 2.01, 2nd Floor, Southern Bank Building, Lebuh Pantai, 10300 Pulau Pinang. Tel : 04-2637749 & 2637750 Fax No : 04-2637644  
 Kuching : Lot 216 (2/F), Jalan Haji Taha, 93400 Kuching, Sarawak. Tel : 082-419200 & 419222 Fax No : 082-429315

Other Colliers Offices : Australia, China, Hong Kong, India, Indonesia, Japan, New Zealand, Philippines, Singapore, Taiwan, Thailand, Vietnam, Austria, Belgium, Czech Republic, France, Germany, Greece, Hungary, Italy, Netherlands, Poland, Portugal, Republic of Ireland, Russia, Scotland, Slovenia, South Africa, Spain, Turkey, United Kingdom, The Americas Argentina, Canada, Mexico, Venezuela and United States Of America.

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## 20. VALUATION CERTIFICATES (Cont'd)

**COLLIERS**  
JORDAN LEE \* JAAFAR

Title / Location	Registered / Beneficial owner / Postal address (if applicable)	Description	Tenure	Approximate age of building as at the date of valuation (years)	Market Value (RM)	Method of Valuation	Material date of valuation
<i>Properties held for owner occupation</i>							
Lot No PTD 38553, Title No HS(D) 23177, in the Mukim and District of Kluang, Johor Darul Ta'zim	RMT/ No 2, Jalan Desa 3, Taman Desa, 86000 Kluang, Johor	Commercial / Double storey shophouse used as a store	Freehold	10	240,000	Comparison and Cost	15.05.2000
<i>Properties which are surplus to operational requirements</i>							
Lot No 1320, Title No EMR 486, in the Township and District of Kluang, Johor Darul Ta'zim	RMT	Vacant land (approval-in-principle obtained for commercial use)	Freehold	N/A	680,000	Comparison	15.05.2000
Lot No PLO 45, Mengkibol Industrial Area, in the Mukim and District of Kluang, Johor Darul Ta'zim	RMT/ PLO 45, Jalan Teknologi 6, Kawasan Perindustrian Mengkibol, 86000 Kluang, Johor	Vacant Industrial land	Leasehold for 60 years*	N/A	210,000	Comparison	15.05.2000
<i>Properties held for investment purpose</i>							
Lot No PTB 3352, Title No HS(D) 5832, in the Township and District of Kluang, Johor Darul Ta'zim	RMT**/ No 5, Jalan Bulan, 86000, Kluang, Johor	Residential / Vacant land	99 years lease expiring 23.11.2078	N/A	130,000	Comparison	15.05.2000
Lot No PTD 43457, Title No HS(D) 37483, in the Mukim and District of Kluang, Johor Darul Ta'zim	RMT/ No 30, Jalan Delima 1, Taman Delima, 86000 Kluang, Johor	Building / Double storey shopoffice	Freehold	3	320,000	Comparison and Cost	15.05.2000
					2,790,000		

**Note :-**

\* The individual Qualified Title for the property has yet to be issued by the relevant authorities. Accordingly, the expiry date of the lease is not available.

\*\* Held in trust by Lim Chong Kwee vide a Trust Deed dated 4 June 1998.

N/A Not applicable.



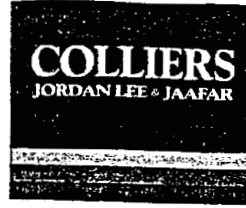


20. VALUATION CERTIFICATES (Cont'd)

VA2000/SPT/062(SC)  
VA2000/PG/063(SC) and  
VA2000/SPT/140(SC)

20 MAY 2002

The Board of Directors  
Stone Master Corporation Berhad  
No. 78, Jalan SS21/39  
Damansara Utama  
47400 Petaling Jaya  
Selangor Darul Ehsan



COLLIERS, JORDAN LEE  
& JAAFAR (PG) SDN. BHD.  
(136818-D)  
Lot 2.01, 2nd Floor  
Southern Bank Building,  
21, Lebuhr Pantal,  
10300 Pulau Pinang.  
Tel No. 04-263 7749  
04-263 7750  
Fax No. 04-263 7644  
E-mail: cjljg@cm.net.my

Dear Sirs,

VALUATION OF LANDED PROPERTIES

This Certificate has been prepared for inclusion in the Prospectus of Stone Master Corporation Berhad to be dated 29 May 2002 issued in connection with the public issue of 1,650,000 new ordinary shares of RM1.00 each and offer for sale of 3,420,000 ordinary shares of RM1.00 each at an issue/offer price of RM1.15 per ordinary share pursuant to the listing of and quotation for its entire enlarged issued and paid-up share capital on the Second Board of Kuala Lumpur Stock Exchange.

We have inspected the landed properties set out below on 10 May 2000 and have assessed the market values of the said landed properties, the details of which were set out in our valuation reports, under references VA2000/SPT/062(SC), VA2000/PG/063(SC) and VA2000/SPT/140(SC), all dated 15 May 2000.

International Property Consultants • Chartered Valuation Surveyors • Registered Valuers & Real Estate Agents •  
Project & Property Managers • Plant & Machinery Valuers • Auctioneers

Executive Chairman JORDAN LEE, KMN, Fiam, Frica, Apeps, Inv, Malay, Sov.  
Executive Director KUVENARAJU PACHAPPEN, B.Sc. Est. Mgmt. (UK) Dip. Val. Arics, Miam, Rim.

JAAFAR ISMAIL, Fiam, Fica, THOOSING CHODH, Fava, Inv, Ac, Arb, Fpca, Awan, P. TANGGA PERAGASAM, Fiam, Frica, CHN LAI SITT, Fiam, Frica, Inv, LLB. (Hons), THNG KIM KOK, Miam, Fica,  
LM CHANG MEE, Fiam, Frica, BA (Hons), BSc (Hons), YEH TEIK BIN, Arics, Miam, Inv, Apeps, Prof. Dip (UK).

Headquarters: Kuala Lumpur, Level 8, Block G North, Pusat Bandar Damansara, Damansara Heights, 50480 Kuala Lumpur. Tel: 03-2555811 (12 lines) Fax No: 03-2555843

Other Offices: Selangor : 31, Jalan Kaper, 41400 Klang, Selangor Darul Ehsan. Tel: 03-3420880 (3 Lines) Fax: 03-3417888  
N. Sembilan: BA, Kompleks Negeri, Jalan Dr. Krishnan, 70000 Seremban, Negeri Sembilan Darul Khusus, Malaysia. Tel: 06-7634890 & 7638990 Fax No: 06-7637936  
Perak : Suite 2 & 3, Tingkat Kedua, Labrooy House, Jalan Dato Sago, 30000 Ipoh, Perak Darul Ridzuan. Tel: 05-2414825 (3 Lines) Fax No: 05-2556363  
Johor : Suite 305, 3rd Floor, PanGlobal Plaza, Jalan Wong Ah Fook, 80000 Johor Bahru, Johor Darul Takom. Tel: 07-2232299 Fax: 07-2245889  
Penang : 17, Jalan Gambel 2, 25000 Kuantan, Pahang Darul Ma'nuir. Tel: 06-5555386 Fax No: 06-5142146  
Mekah : 321-A, JALAN MISHA RAYA 1, Taman Melaka Raya, 75000 Melaka. Tel: 06-2835522 (3 Lines) Fax: 06-2837635  
Kuching : Lot 216 (2/F), Jalan Haj' Taha, 83400 Kuching, Sarawak. Tel: 082-419200 & 419222 Fax No: 082-429315

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Other Colliers Offices: Australia, China, Hong Kong, India, Indonesia, Japan, New Zealand, Philippines, Singapore, Taiwan, Thailand, Vietnam, Austria, Belgium, Czech Republic, France, Germany, Greece, Hungary, Italy, Netherlands, Poland, Portugal, Republic of Ireland, Russia, Scotland, Slovenia, South Africa, Spain, Turkey, United Kingdom, The Americas Argentina, Canada, Mexico, Venezuela and United States Of America.

## 20. VALUATION CERTIFICATES (Cont'd)

**COLLIERS**  
JORDAN LEE & JAAFAR

The valuation have been carried out in accordance with the Guidelines on Asset Valuation for Submission to the Securities Commission (1995) issued by the Securities Commission and in compliance with the valuation standards prescribed by the Board of Valuers, Appraisers & Estate Agents and with the necessary professional responsibility and due diligence.

The summary of the valuation are as follows:-

Title / Location	Registered/ Beneficial owner / Postal address	Description	Tenure	Approximate age of building <u>as at the date of valuation</u> (years)	Market Value RM	Method of valuation	Material date of valuation
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## Properties held for owner occupation

P.T. No. PTBM/ C 005 [Lot No. 1423 HS(D) 20747 (formerly HS(D) 870) & Lot No. 1424 HS(D) 20748 (formerly HS(D) 871)], Mukim 1, District of Seberang Perai Tengah, Pulau Pinang	FEMT/22 & 24, Lorong Kurau 1, Chai Leng Park, 13700 Prai, Pulau Pinang.	Building/ Single- storey terrace house (two units) renovated into show- room	Freehold	About 20 years but extended and renovated to form a showroom about a year ago	950,000	Comparison and Investment	15.05.2000
Lot No. 1418, Geran 34353, Section 9W, North-East District, Pulau Pinang	FEMT/ 48, Jalan Jelutong, 11600 Pulau Pinang	Building/ Single- storey building used as show- room and store	Freehold	About 40 years but extensively renovated about 7 years ago	1,000,000	Comparison and Investment	15.05.2000

20. VALUATION CERTIFICATES (Cont'd)

**COLLIERS**  
JORDAN LEE & JAAFAR

Lot No. 3392, HS(D) 20724 (formerly HS(D) 322), Mukim 16, Seberang Perai Tengah, Pulau Pinang	FEMT/ 59, Jalan Machang Bubuk, Taman Machang Bubuk, 14020 Bukit Mertajam, Pulau Pinang	Building/ Three Storey shop- office	Freehold 1	330,000	Comparison and Investment	15.05.2000
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2,280,000

We certify that in our opinion the total market value for the existing use of the above properties using the valuation methods stated above amounts to **RM2,280,000 (Ringgit Malaysia : Two Million Two Hundred and Eighty Thousand Only)**

Yours faithfully  
COLLIERS  
JORDAN LEE & JAAFAR (PG) SDN. BHD.



**KUVENARAJU PACHAPPEN, MRICS, MIS(M), RIM.**  
Bsc. in Est. Mgmt. (UK), Dip. in Val., MBA (US)  
Chartered Surveyor/Registered Valuer (V337)

## 20. VALUATION CERTIFICATES (Cont'd)



20 May 2002

The Board of Directors  
Stone Master Corporation Berhad  
No. 78, Jalan SS21/39  
Damansara Utama  
47400 Petaling Jaya  
Selangor Darul Ehsan

COLLIERS, JORDAN LEE  
& JAAFAR SDN. BHD.  
(59901-U)(VE(1)0063)

Level 6, Block G North,  
Pusat Bandar Damansara,  
Damansara Heights,  
50490 Kuala Lumpur,  
Tel No: 03-20955811 (10 lines)  
Fax: 03-20955843  
E-mail: cjj@tm.net.my

Dear Sirs

## VALUATION OF LANDED PROPERTIES

This Certificate has been prepared for inclusion in the Prospectus of Stone Master Corporation Berhad to be dated 29 May 2002 issued in connection with the public issue of 1,650,000 new ordinary shares of RM1.00 each and offer for sale of 3,420,000 ordinary shares of RM1.00 each at an issue/offer price of RM1.15 per ordinary share pursuant to the listing of and quotation for its entire enlarged issued and paid-up share capital on the Second Board of Kuala Lumpur Stock Exchange.

We have inspected the landed properties set out below on 15 May 2000 (for property held under H.S. (D) 146724 (Formerly H.S. (D) 41564)) and 15 February 2000 (for Suite C-16-16, Tower C, (Wisma Goshen) Plaza Pantai) and have assessed the Market Values of the said landed properties, the details of which were set out in our valuation reports, under references VA99/SL/Sh883(B186) and KL000513 dated 22 May 2000 and 9 March 2000 respectively.

We wish to highlight that as at the date of valuation, the newly completed office lot identified as Suite C-16-6, Tower C (Wisma Goshen), Plaza Pantai, 5, Jalan 4/83A, Off Jalan Pantai Baru, 59200 Kuala Lumpur, has not been issued a Certificate of Fitness for Occupation. The Temporary Certificate of Fitness for Occupation was subsequently obtained on 6 November 2000.

The valuation have been carried out in accordance with the Guidelines on Asset Valuation for Submission to the Securities Commission (1995) issued by the Securities Commission and in compliance with the valuation standards prescribed by the Board of Valuers, Appraisers & Estate Agents with the necessary professional responsibility and due diligence.

## International Property Consultants • Chartered Valuation Surveyors • Registered Valuers &amp; Real Estate Agents •

## Project &amp; Property Managers • Plant &amp; Machinery Valuers • Auctioneers

Managing Director: P. TANGGA PERAGASAM, Fism., Frics, Chairman: CHIN LAI SITT, Fism., Frics, LLB (Hons), CLP, Executive Directors: THOO SING CHOON, Frics, Inv, Acl/Arb, Fpca.  
THYNG KIM KOK, Msm, Fics, Director / Advisor: JAAFAR ISMAIL, Fism, Frics.

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JORDAN LEE, KMN, Fism, Frics, Assoc. Inv, Mstr, Sov, TEH TEIK BIN, Ancs, Msm, Inv, Prof. Dip (U.K.), CHIN KIM CHOY, Msm, Dip. Est. Mgmt (U.K.), LEE THIAM SING, Msm.  
LIM CHANG MEE, Fism, Frics, BA (Hons), B.Sc (Hons)

Headquarters : Kuala Lumpur, Level 6, Block G North, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur. Tel: 03-20955811 (10 lines) Fax No: 03-20955843  
Agency Division : Colliers International Property Consultants Sdn. Bhd.  
Nos. 109 & 209, Block C, Pusat Dagangan Phileo Damansara 1, No. 8, Jalan 16/11, 46350 Petaling Jaya, Off Jalan Damansara, Kuala Lumpur. Tel: 03-76500220 Fax: 03-76500230  
Other Offices : Perak : Suites 1, 2 & 3, Trigial Kedua, Labrooy House, Jalan Dato Sagar, 30000 Ipoh, Perak Darul Ridzuan. Tel: 05-2414826 (3 Lines) Fax No: 05-2556363  
N. Sembilan : 9A, Kompleks Negeri, Jalan Dr. Krishnan, 70000 Seremban, Negeri Sembilan Darul Khusus, Malaysia. Tel: 06-7638890 & 7638990 Fax No: 06-7637996  
Selangor : 91, Jalan Kapar, 41480 Klang, Selangor Darul Ehsan. Tel: 03-33420660 (3 Lines) Fax No: 03-33417888  
Johor : Suite 326, 3rd Floor, PanGlobal Plaza, Jalan Wong Ah Fook, 80000 Johor Bahru, Johor Darul Takzim. Tel: 07-2232299 Fax: 07-2245899  
Pahang : 17, Jalan Garmout 2, 25000 Kuantan, Pahang Darul Makmur. Tel: 09-5555588 Fax No: 09-5142146  
Melaka : No. 669 & 689A, Taman Melaka Raya, 75000, Melaka. Tel: 06-2835522 (3 Lines) Fax: 06-2837635  
Penang : Lot 2.01, 2nd Floor, Southern Bank Building, 21, Labuh Pantai, 10300 Pulau Pinang. Tel: 04-2637749 & 2637750 Fax No: 04-2637644  
Asso. Office : Kuching : Lot 216 (2/F), Jalan Haji Taha, 93400 Kuching, Sarawak. Tel: 082-419200 & 419222 Fax No: 082-429315

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Other Colliers Offices: Australia, China, Hong Kong, India, Indonesia, Japan, New Zealand, Philippines, Singapore, Taiwan, Thailand, Vietnam, Austria, Belgium, Czech Republic, France, Germany, Greece, Hungary, Italy, Netherlands, Poland, Portugal, Republic of Ireland, Russia, Scotland, Slovenia, South Africa, Spain, Turkey, United Kingdom, The Americas Argentina, Canada, Mexico, Venezuela and United States Of America.

## 20. VALUATION CERTIFICATES (Cont'd)

**COLLIERS**  
JORDAN LEE & JAAFAR

The summary of the valuation are as follows:-

Title/Location	Registered/ Beneficial owner/ Postal address	Description	Tenure	Approximate age of building as at the date of valuation (years)	Market Value RM	Method of valuation	Material date of valuation
<b>Properties held for owner occupation</b>							
Title No. H.S. (D) 146724 (Formerly H.S. (D) 41564), P.T. No. 6110, Mukim of Sungai Buloh, District of Kuala Lumpur (Petaling), Selangor Darul Ehsan	SPG/ No. 78, Jalan SS21/39, Damansara Utama, 47400 Petaling Jaya Selangor Darul Ehsan	Building/3½ storey shop office building	Freehold	20	1,800,000	Comparison and Investment	15.05.2000
<b>Properties held for investment purpose</b>							
Suite C-16-6, Tower C (Wisma Goshen), Plaza Pantai, 5, Jalan 4/83A, Off Jalan Pantai Baru, 59200 Kuala Lumpur	SM(M)SB/ Suite C-16-6, Tower C, Wisma Goshen, Plaza Pantai 5, Jalan 4/83A, Off Jalan Pantai Baru, 59200 Kuala Lumpur	Building/ Office Lot*	Freehold	1	685,000	Comparison and investment	15.02.2000
					<u>2,485,000</u>		

**Note:-**

\* Only temporary certificate of fitness has been issued. It is currently vacant.

We certify that in our opinion the total Market Values for the existing use of the above properties using the valuation methods stated above amounts to RM2,485,000 (Ringgit Malaysia: Two Million Four Hundred and Eighty Five Thousand Only ).

Yours faithfully,  
Colliers, Jordan Lee & Jaafar Sdn. Bhd.



Th'ng Kim Koh  
Chartered Valuation Surveyor  
Registered Valuer (V-093)

20. VALUATION CERTIFICATES (Cont'd)



20 May 2002

The Board of Directors  
 Stone Master Corporation Berhad  
 No. 78, Jalan SS21/39  
 Damansara Utama  
 47400 Petaling Jaya  
 Selangor Darul Ehsan

COLLIERS, JORDAN LEE  
 & JAAFAR SDN. BHD.  
 (59901-U)

9A, Kompleks Negeri,  
 Jalan Dr. Krishnan,  
 70000 Seremban,  
 Negeri Sembilan Darul Khusus.  
 Tel No. 06-7638890 / 7638990  
 Fax No. 06-7637936

Dear Sirs

VALUATION OF LANDED PROPERTIES

This Certificate has been prepared for inclusion in the Prospectus of Stone Master Corporation Berhad to be dated 29 May 2002 issued in connection with the public issue of 1,650,000 new ordinary shares of RM1.00 each and offer for sale of 3,420,000 ordinary shares of RM1.00 each at an issue/offer price of RM1.15 per ordinary share pursuant to the listing of and quotation for its entire enlarged issued and paid-up share capital on the Second Board of Kuala Lumpur Stock Exchange.

We have inspected the landed property set out below on 13 March 2000 and 17 March 2000 and have assessed the Market Value of the said landed property, the details of which were set out in our valuation report, under reference JLJS/V080/00 dated 17 March 2000.

The valuation have been carried out in accordance with the Guidelines on Asset Valuation for Submission to the Securities Commission (1995) issued by the Securities Commission and in compliance with the valuation standards prescribed by the Board of Valuers, Appraisers & Estate Agents of Malaysia, and with the necessary professional responsibility and due diligence.

International Property Consultants • Chartered Valuation Surveyors • Registered Valuers & Real Estate Agents •  
 Project & Property Managers • Plant & Machinery Valuers • Auctioneers

Managing Director: P. TANGGA PERAGASAM, Fism, Frics, Chairman: CHIN LAI SITT, Fism, Frics, LLB (Hons), CLP, Executive Directors: THOD SING CHOON, Frics, Mv, ACIARB, Fpccs, THNG KIM KOK, Mism, Frics, Director / Advisor: JAAFAR ISMAIL, Fism, Frics, Advisor: JORDAN LEE, KMN, Fism, Frics, Apeps, Mv, Msiiv, Scv.

TEH TEIK BIN, Aracs, Mism, Mv, Prof. Dip (U.K.), CHEN KIM CHOY, Mism, Dip. Est. Mgmt (U.K.), LEE THIAM SING, Mism, KEVIN WONG PAK PING, B. Surv. Mism, LIM CHANG MEE, Fism, Frics, BA, (Hons), B.Sc. (Hons)

Headquarters : Kuala Lumpur, Level 6, Block G North, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur. Tel: 03-2555811 (10 lines) Fax No: 03-2555843

Agency Division : Colliers International Property Consultants Sdn. Bhd.

Other Offices :

- Mos. 109 & 209, Block C, Pusat Dagangan Phileo Damansara 1, No. 8, Jalan 18/11, 46350 Petaling Jaya, Off Jalan Damansara, Kuala Lumpur. Tel: 4610220 Fax: 4610230, 4610230
- Perak : Suite 3 & 4, Tropical Keadus, Labrooy House, Jalan Dato Sagor, 30000 Ipoh, Perak Darul Ridzuan. Tel: 05-2414826 (3 Lines) Fax No: 05-2556363
- N. Sembilan : 8A, Kompleks Negeri, Jalan Dr. Krishnan, 70000 Seremban, Negeri Sembilan Darul Khusus, Malaysia. Tel: 06-7638890 & 7638990 Fax No: 06-7637936
- Selangor : 31, Jalan Kapas, 41400 Klang, Selangor Darul Ehsan. Tel: 03-3420860 (3 Lines) Fax No: 03-3417888
- Johor : Suite 326, 3rd Floor, PanGlobal Plaza, Jalan Wong Ah Fook, 80000 Johor Bahru, Johor Darul Takzim. Tel: 07-2232299 Fax: 07-2245889
- Penang : 17, Jalan Gambus 2, 25000 Kuantan, Pahang Darul Maiznah. Tel: 09-5555588 Fax No: 09-5142146
- Malaka : No. 689 & 689A, Taman Melaka Raya, 75000, Melaka. Tel: 06-2835522 (3 Lines) Fax: 06-2837635
- Penang : Lot 2.01, 2nd Floor, Southern Bank Building, 21, Lebuh Pantai, 10500 Pulau Pinang. Tel: 04-2637749 & 2637750 Fax No: 04-2637644
- Asst. Office: Kuching : Lot 216 (2/F), Jalan Haji Taha, 93400 Kuching, Sarawak. Tel: 082-419200 & 419222 Fax No: 082-429315

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Other Colliers Offices: Australia, China, Hong Kong, India, Indonesia, Japan, New Zealand, Philippines, Singapore, Taiwan, Thailand, Vietnam, Austria, Belgium, Czech Republic, France, Germany, Greece, Hungary, Italy, Netherlands, Poland, Portugal, Republic of Ireland, Russia, Scotland, Slovenia, South Africa, Spain, Turkey, United Kingdom, The Americas Argentina, Canada, Mexico, Venezuela and United States Of America.

## 20. VALUATION CERTIFICATES (Cont'd)

**COLLIERS**  
JORDAN LEE & JAAFAR

The summary of the valuation is as follows:-

Title/Location	Registered/ Beneficial owner/ Postal address	Description	Tenure	Approximate age of building as at the date of valuation (years)	Market Value RM	Method of valuation	Material date of valuation
<b>Properties held for investment purpose</b>							
Unit No. 128A/3-3A (Developer's Unit No. M-03-3A), Seremban 2, erected on PT No. 8392A, Mukim of Rasah, District of Seremban, Negeri Sembilan Darul Khusus	SM(M)SB/ No. 128A/3-3A, Jalan S2 B5, Seremban 2, 70300 Seremban, Negeri Sembilan	Building/Office Lot	Freehold	1	55,000	Comparison and investment	13.03.2000
					<u>55,000</u>		

We certify that in our opinion the total Market Value assuming the issuance of certificate of fitness of the above properties using the valuation methods stated above amounts to **RM55,000 (Ringgit Malaysia: Fifty Five Thousand Only)**.

Yours faithfully,  
Colliers, Jordan Lee & Jaafar Sdn. Bhd.

Th'ng Kim  
Chartered Valuation Surveyor  
Registered Valuer (V-093)



20 May 2002

**The Board of Directors  
Stone Master Corporation Berhad  
No. 78, Jalan SS21/39  
Damansara Utama  
47400 Petaling Jaya  
Selangor Darul Ehsan**

Dear Sirs,

#### **VALUATION OF LANDED PROPERTIES**

This Certificate has been prepared for inclusion in the Prospectus of Stone Master Corporation Berhad to be dated 29 May 2002 issued in connection with the public issue of 1,650,000 new ordinary shares of RM1.00 each and offer for sale of 3,420,000 ordinary shares of RM1.00 each at an issue/offer price of RM1.15 per ordinary share pursuant to the listing of and quotation for its entire enlarged issued and paid-up share capital on the Second Board of Kuala Lumpur Stock Exchange.

We have inspected the landed property set out below on 1 February 2000 and have assessed the market value of the said landed property, the details of which were set out in our valuation report, under reference SK/KUC/KNLD/238/191(1) dated 14 February 2000.

We wish to highlight that, as at the date of valuation, there was no approval of the relevant authorities granted for the factory building and the workers' quarters erected on Lot 191, Block 238, Kuching North Land District, 8<sup>th</sup> Mile, Jalan Batu Kitang, 93250 Kuching, Sarawak. An application was then submitted to the relevant authorities in relation to the legalisation of the building and staff quarters. An approval-in-principle was subsequently obtained on 14 March 2001.

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Europe - United Kingdom - Belgium - Finland - France -  
Germany - Greece - Ireland - Italy - Netherlands - Spain

South Africa

USA



## 20. VALUATION CERTIFICATES (Cont'd)



The valuation has been carried out in accordance with the Guidelines on Asset Valuation for Submission to the Securities Commission (1995) issued by the Securities Commission and in compliance with the valuation standards prescribed by the Board of Valuers, Appraisers & Estate Agents with the necessary professional responsibility and due diligence.

The summary of valuation are as follows:-

Title/ Location	Beneficial/ Registered Owner/ Postal Address	Description	Tenure	Approximate age of buildings as at the date of valuation (years)	Market value (RM)	Method of valuation	Material date of valuation
Properties held for owner occupation							
Lot 191 Block 238 Kuching North Land District, 8 <sup>th</sup> Mile, Jalan Batu Kitang, 93250 Kuching, Sarawak	SAVSB/ Lot 191 Block 238 KNLD 8 <sup>th</sup> Mile, Jalan Batu Kitang, 93250 Kuching, Sarawak	Land with a factory building and workers' quarters	Leasehold expiring 31 December 2038	1	900,000 (*)	Comparison	01.2.2000
					<u>900,000</u>		

Note:-


\* Value of land together with its improvement only, excluding the value of building.

We certify that in our opinion, the total market value for the existing use of the above property using the valuation method stated above, amounts to RM900,000 (Ringgit Malaysia : Nine Hundred Thousand Only)

Yours faithfully

For and on behalf

**RAHIM & CO CHARTERED SURVEYORS (SARAWAK) SDN. BHD.**

  
**DONALD LAM JOON ONN**  
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